

Worksession  
June 15, 2011  
6:30 p.m.

draft

Review and Discussed:

1. FYI - e-mail to Council on gravel. Exempt gravel and mining from zoning.
2. PLWSA April flows are down.
3. City Hall is missing roof shingles. Can claim under our contract.
4. Quincy Mine Hoist is scheduling a fundraiser for lighting the outside of the bldg.
5. FU Update
  - Cafeteria expansion is underway
  - McAfee Football field work is in progress.
6. Quincy Smelter Update
  - Covering about 6 acres of stampsand
  - Moyle is the contractor
7. Water Leak Updates
  - Dunstan, Navy and Campground
8. Relocating water lines for 5 homes on Lake Street
9. Mike Lahti started work on his new 3-plex townhouse on Hancock Street. 4 out of 8 units are rented at 424 Hancock Street (the OHM building)
10. Transit Teen Program
  - \$15/ticket for June, July and August along with raffle and gifts
  - Portage Health has not donated to the Transit as of this date.
11. Hancock Beach Update
  - Bad goose problem at the beach this year.
12. Water Project Update
  - house at 430 Hancock Street was flooded
13. Revenue Sharing Update
14. The Tori Market has started up for the summer season on the old middle school lawn.
15. Federal Transit reduction in revenue project.
  - Medical Transportation is a big issue
  - transit buses are acting as school buses.
16. Met with representatives from Portage and Adams Township to discuss our water project. They asked if the City would consider cost sharing for valves and T's and eliminate line near Petrolane. Cost to the Twp. would be about \$50,000.00.
17. Water work in Houghton.  
Eight hydrants have been added to the transmission for the Water Project. Working near Festival Foods and McDonalds.
18. Richard Federighi regarding the neighbors placement of a 6' fence between their yards.  
Mr. Federighi and sister Pat Markham addressed the Council regarding concerns.  
It was suggested that Mr. Federighi send a letter to the Manager requesting the ZBA meet to review this situation. Also suggested that the \$50 fee be waived.
19. Proclamation for the Golf Team.

Public Hearing  
June 15, 2011  
7:35 p.m.

Mayor Laitila called this Public Hearing open for public comment on the following items at 7:35 p.m.

1. On the proposed FY 11/12 operating budget for all City funds.
2. On proposed Ordinance #281 to establish a 6 month moratorium on the sale or dispensation of medical marihuana.
3. On the proposed closeout of the \$155,000.00 MEDC Infrastructure Grant for the Scott Hotel renovation project.

Present: Councilors Hainault, Slivon, Belej, Laitila, Moore, McKenzie and Haeussler. Also present: Manager Anderson, City Clerk Haischer, Richard Federighi and Pat Markham, Roland Burgan, Lou Meyette, Susan Burack, Michelle Anderson, John Zurcher, Steve Lishinski, Garret Neece, Mike, Jack and Mark.

1. Manager Anderson gave a brief overview of the proposed 11-12 Budget.  
No Public Comment.
2. Mayor Laitila read the proposed Ordinance #281 as presented for Council action.  
No Public Comment.
3. Manager Anderson gave a brief review of the Scott Hotel renovation project. This project was funded in part by the Michigan Economic Development Corporation. He stated that the project is now completed and we are ready to close this project out.  
No public comments (written or oral) were received on this project.

Mayor Laitila called this Public Hearing to a close at 7:42 p.m.

Regular Meeting  
June 15, 2011  
7:42 p.m.

The regular meeting of the Hancock City Council was held in the Council Chambers on Wednesday, June 15, 2011 at 7:42 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

Moved by Councilor Hainault and seconded by Councilor Belej approving the June 15, 2011 agenda as amended as follows:  
Old Business: add #4. Fair Board fence request and #5. PLWSA agreement language change.  
Yes: All  
No: None  
Motion Carried.

#### correspondence

Letter from Richard Federighi re: 6 foot fence  
Thank You letter from Karen Sintkowski re: rehab program  
Michigan Gas Company re: Public Hearing  
UPPCO notice of hearing  
WUPPDR re: Notice of Intent  
Charter Communications re: charges

Moved by Councilor McKenzie and seconded by Councilor Belej to acknowledge the correspondence as presented and place them on file.  
Yes: All  
No: None  
Motion Carried.

#### guests

Public Comment  
1. Mike Armstrong, 1201 Roberts. re: replacing his water line because of freezing.  
2. Jack Dunstan, Houghton County Fair Board Vice-President  
-Carnival needs more room. The Fair Board voted to ask that the fence be taken down  
3. Steve Lishinski, FU Baseball Coach

#### minutes approval

Moved by Councilor Belej and seconded by Councilor Hainault to approve the minutes of the May 18, 2011 worksession and regular meeting as presented.  
Yes: All  
No: None  
Motion Carried.

#### reports

DDA minutes of May 2, 2011

PLWSA minutes of April 12, 2011

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

Yes: All

No: None

Motion Carried.

administrative report

1. Bridgefest Parade, Friday, June 17th at 7:00 p.m. starting in Hancock going to Houghton.
2. Water project closing is scheduled for Tuesday, June 21st at 11 a.m. in Gladstone.
3. Update on City projects

Water and Sewer Project: 3 crews were working in Hancock this past week.

-Peterson on the Transmission Main and in West Hancock

-Siler on Hancock Street as Peterson (sub-contractor)

-MJO on Sewer Project

-MJO has been working on Front Street, Hancock Street along with Siler

-Water Project -Concrete is being replaced under pavement on Hancock as they go.

- MJO completed sewer on Tezcuco, Gartner's, Carquest Alley, Depot, Water,

Montezuma, Franklin, Minnesota and Brock. Working on Dunstan and E. White.

Lou from OHM updated the Council on the replacement of the cement on Hancock.

The project was designed with gravel or concrete as a replacement material. Since the concrete was in good shape when it was removed, MDOT wanted it replaced with concrete.

Beach Project

-Brick and retention area are completed with paving on Saturday. Then open for business.

Campus Drive Update

-Scheduled for paving on August 1st.

FU - McAfee Field Update

-Planning Commission approved site plan 6-13-2011. Project is well underway.

Beach Playground Equipment

-Rotary, Fire Department and volunteers started this project with a workbee.

4. Northern Wefts 2011 Midwest Weavers Conference

-June 20th - June 25th

-343 have registered

-special Hancock Transit will run Thursday, Friday and Saturday

5. July 11 DDA meeting is cancelled

6. Fire Hall roof condition report.

-cost to repair is about \$5000

7. 20th Annual Can Run, Saturday, July 16th

8. Final State Revenue Sharing conditions update.

9. Ryan Street Community Gardens Update

10. Canal Rock Friday Night Concerts

-10 weeks starting 6/24/2011

old business  
fy 11-12 budget  
resolution #13-11

Moved by Councilor Hainault and seconded by Councilor Belej to adopt Resolution #14-11 as follows:

**BUDGET ADOPTION RESOLUTION #14-11**

City of Hancock Financial Plan

2011/2012

Adopted 06-15-2011

Pursuant to the laws of the State of Michigan governing Home Rule Cities, the State Budget Act, and the City Charter, the following Budget Resolution for Fiscal Year July 1, 2011 to June 30, 2012, is hereby submitted for adoption;

**Whereas**, it has been determined that the attached (revenues) Property Taxes, State Shared Revenues, Rates, Charges and Transfers shall be available and necessary for the 2011-2012 Budget Year, and

**Furthermore**, it is ordered that the attached level of expenditures are approved for each of the below Activities and Funds;

It is further ordered that the City Council approve the required millage rate of **13.4215** for the General Fund and **.7806** for the Fire Department for the Fiscal Year July 1, 2011 to June 30, 2012 for a total levy of **14.2021**.

It is further ordered that upon setting the City Tax Rate, the City Treasurer shall proceed to collect the sums ordered in accordance with the City Charter and the Laws of the State of Michigan.

Further, it is ordered that the City Manager shall be designated the Chief Financial Officer of the City of Hancock in accordance with the State Uniform Budget Act and shall implement this Financial Plan as adopted or amended in accordance with generally accepted accounting principals and the State Budget Act.

The above Resolution was offered by Councilor Hainault and seconded by Councilor Belej to adopt the Budget Resolution presented above for Fiscal Year July 1, 2011 to June 30, 2012.

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

No: Councilor Haeussler.

Absent: None

Motion Carried.

#### resolution #15-11

Moved by Councilor Haeussler and seconded by Councilor Moore approving Resolution #15-11 as follows:

Resolution #15-11

WHEREAS, the sale or dispensation of medical marihuana was not envisioned when the current Zoning Ordinance was adopted and the Zoning Ordinance does not currently address the use; and

BECAUSE, processing land use permit requests for land uses associated with the sale or dispensation of medical marihuana prior to the amendment of the Zoning Ordinance would be detrimental to the public health, safety, and welfare and would not ensure that the use is situated in appropriate locations and relationships; and

BECAUSE, the City desires to ascertain the best and safest path to comply with the Michigan Medical Marihuana Act, Initiated Law 1 of 2008, MCL 333.26421 et seq., and the Michigan Zoning Enabling Act, in order to protect the public health, safety, and welfare; and

BECAUSE, the City Council wishes there to be further study and the preparation of an ordinance in the very near future; and

BECAUSE, the City Council determines that it is desirable to immediately forbid the issuance of permits and licenses for land uses associated with the sale or dispensation of medical marihuana until an amendment to the Zoning Ordinance becomes effective; and

WHEREAS, the City Charter authorizes the City Council to enact ordinances immediately necessary for the preservation of the public health, peace, or safety on the date of introduction and give them immediate effect and the City Council determines that the following ordinance satisfies that requirement;

WHEREAS, the City Council enacted an Emergency Ordinance #279 on April 20, 2011;

WHEREAS, Section 5.4 of the City Charter states that an emergency ordinance shall automatically stand repealed as of the 61st day of the ordinance unless extended by resolution;

NOW THEREFORE BE IT RESOLVED THAT, the City Council of the City of Hancock extend Ordinance #279 for an additional thirty (30) days.

Roll Call Vote:

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

No: None

Motion Carried.

#### ordinance #281

Moved by Councilor Haeussler and seconded by Councilor Moore adopting Ordinance #281 and authorize publication in the Daily Mining Gazette as follows:

**CITY OF HANCOCK  
ORDINANCE #281**

AN ORDINANCE ESTABLISHING A MORATORIUM ON THE ISSUANCE OF PERMITS OR LICENSES FOR THE SALE OR DISPENSATION OF MEDICAL MARIHUANA.

WHEREAS, the sale or dispensation of medical marihuana was not envisioned when the current Zoning Ordinance was adopted and the Zoning Ordinance does not currently address the use; and

BECAUSE, processing land use permit requests for land uses associated with the sale or dispensation of medical marihuana prior to the amendment of the Zoning Ordinance would be detrimental to the public health, safety, and welfare and would not ensure that the use is situated in appropriate locations and relationships; and

BECAUSE, the City desires to ascertain the best and safest path to comply with the Michigan Medical Marihuana Act, Initiated Law 1 of 2008, MCL 333.26421 et seq., and the Michigan Zoning Enabling Act, in order to protect the public health, safety, and welfare; and

BECAUSE, the City Council wishes there to be further study and the preparation of an ordinance in the very near future; and

BECAUSE, the City Council determines that it is desirable to immediately forbid the issuance of permits and licenses for land uses associated with the sale or dispensation of medical marihuana until an amendment to the Zoning Ordinance becomes effective; and

THE CITY OF HANCOCK HEREBY ORDAINS AS FOLLOWS:

Section (1) A moratorium is established on the issuance of all City permits, licenses and approvals, including building permits, land use permits and certificates of occupancy, in regard to land uses associated with the sale or dispensation of medical marihuana from the effective date hereof, until January 15, 2012 or the effective date of the adoption of a proper text amendments to the Zoning Ordinance and any necessary licensing requirements, whichever occurs first.

Section (2) All City Boards and Commissions are asked and authorized to give their analysis and recommendation regarding a zoning ordinance or licensing regulation concerning the sale and dispensation of medical marihuana top priority.

Section 3. This ordinance was introduced by the City Council of the City of Hancock, Houghton County, Michigan on the 18th day of May, 2011.

Section 4. This ordinance was enacted by the City Council of the City of Hancock, Houghton County, Michigan on the 15th day of June, 2011.

Section 5. This ordinance shall take effect thirty (30) days from the date of adoption according to the Hancock City Charter.

Effective date: July 15, 2011.

Roll Call Vote:

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

No: None

Motion Carried.

Moved by Councilor Hainault and seconded by Councilor Haeussler to appoint Haeussler, Slivon and Belej on the Ordinance Committee for medical marihuana.

Yes: All

No: None

Motion Carried.

driving park ballfield  
fence

Fence Issue at the Hancock Driving Park. The Fair Board requests that the original proposal stand. Request to take down the full fence at the Driving Park.

Moved by Councilor Belej and seconded by Councilor Moore that since a compromise was not reached by parties concerned the Council do nothing with the Fair Board request and that the fence remain as is. In other words, the fence will not be removed.

Roll Call Vote:

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

No: Councilors McKenzie and Moore.

Motion Carried.

plwsa agreement change

Moved by Councilor McKenzie and seconded by Councilor Belej to approve the amendment to the PLWSA Agreement (Dakota Heights Portage/Hancock/Houghton/PLWSA) as follows:

"#XX. In the event that there is a shortage, all of the Portage Lake Water and Sewage Authority's customers will proportionally share in such shortage."

Roll Call Vote:

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

No: None

Motion Carried.

new business  
may, 2011 a/p

Moved by Councilor Hainault and seconded by Councilor Belej approving the May, 2011 accounts payable in the amount of \$100,918.92 and authorize payment as follows as funds become available as follows:

General	21,615.71
Major	1,444.57
Local	240.70
Transit	3,028.36
Sewer	41,849.78
Water	17,515.46
Motor V.	8,399.26
<u>DDA</u>	<u>6,825.08</u>
Total	\$100,918.92

Roll Call Vote:

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

No: None

Motion Carried.

add'l checks typed in  
may

Moved by Councilor Hainault and seconded by Councilor Belej approving the additional checks typed in the month of May, 2011 in the amount of \$567,466.16 and authorize payment as follows:

Expenses	\$164,910.46
<u>Transfers</u>	<u>\$402,555.70</u>
Total	\$567,466.16

Roll Call Vote:

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

No: None

Motion Carried.

sewer change order #2

Moved by Councilor Hainault and seconded by Councilor Belej approving sewer contract change order #2 to increase MJO Contracting, Inc contract by \$36,118.00.

Roll Call Vote:

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

No: None

Motion Carried.

sewer pay request #4

Moved by Councilor Haeussler and seconded by Councilor Hainault approving sewer pay request #4 in the amount of \$323,081.40 and authorizing payment.

Roll Call Vote:

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

No: None

Motion Carried.

water payment request  
#1 & bond refinance

Moved by Councilor Hainault and seconded by Councilor Haeussler approving water pay request #1 for \$1,865,318.56, which includes \$1,361,551.02 for refinancing the 1997 and 1998 water revenue bonds for an interest rate of 4.5% to 2.62% for the 1998 bond and 2.375% for the 1997 bond; and approve the payment of \$101,999.22 from the 1997 water bond reserve accounts and \$30,335.00 for the 1998 water bond reserve accounts for a total of \$132,334.22 as part of the refinancing.

Roll Call Vote:

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

No: None

Motion Carried.

water pay request #1  
peterson

Moved by Councilor Hainault and seconded by Councilor Belej approving the water construction payment request #1 to James Peterson & Sons, Inc. for \$978,777.31 as funds become available.

Roll Call Vote:

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

No: None

Motion Carried.

water const change  
order #1-peterson

Moved by Councilor Belej and seconded by Councilor Hainault approving the water construction project change order #1 for the James Peterson & Sons, Inc. to increase their contract by \$190,500.24.

Roll Call Vote:

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

No: None

Motion Carried.

water engineering  
change order - ohm

Moved by Councilor Belej and seconded by Councilor Moore approving the water engineering change order with OHM, Inc. to increase their contract by \$115,000.00 for additional engineering services.

Roll Call Vote:

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

No: None

Motion Carried.

storm water project  
pay request #1 mjo

Moved by Councilor Haeussler and seconded by Councilor Belej approving the contractor pay request #1 for MJO Contracting, Inc in the amount of \$69,472.73 and authorize payment as funds become available.

Roll Call Vote:

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

No: None

Motion Carried.

change order #1  
mjo beach storm water

Moved by Councilor Hainault and seconded by Councilor Belej approving change order #1 with MJO Contracting, Inc. in increase their contract by \$9,550.37 for the beach storm water improvements project.

Roll Call Vote:

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

No: None

Motion Carried.

roof drain contract  
mjo

Moved by Councilor Belej and seconded by Councilor Haeussler approving a contract with MJO Contracting to tie in roof drains for selected downtown businesses to eliminate storm water from our sanitary sewer in the amount of \$28,606.00.

Roll Call Vote:

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

No: None

Motion Carried.

requested lot split  
312/314 quincy st

Moved by Councilor Belej and seconded by Councilor Haeussler approving a lot split for Lot 9, Block 11, Village of Hancock (now City) as recommended by the Planning Commission as follows:

312 Quincy Street

The East 29 feet of lot 9, Block 11, Village of Hancock (now City), according to the Plat thereof recorded in the Houghton County Register of Deeds Office, City of Hancock, Houghton County, Michigan

314 Quincy Street

The West 21 feet of lot 9, Block 11, Village of Hancock (now City), according to the Plat thereof recorded in the Houghton County Register of Deeds Office, City of Hancock, Houghton County, Michigan.

Roll Call Vote:

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

No: None

Motion Carried.

bridgefest fireworks  
permit

Moved by Councilor Belej and seconded by Councilor Hainault to approve the 2011 Bridgefest Fire Works Display Permit.

Hancock Waterfront

Type of Fireworks - Approximately 1046 aerial display shells ranging in size from ¼ inch to 5 inches in diameter.

June 18th, 2011

Yes: All

No: None

Motion Carried.

paving of forest st

Moved by Councilor McKenzie and seconded by Councilor Moore approving a paving contract with Payne & Dolan, Inc. to pave Forest Street.

Proposal: Fine grade the existing base of approximately 2000 SY (Base course to be placed by others to within +/- .01'); Construct a single course 2" compacted average depth asphalt pavement on approximately 2000SY in the total area; Provide bituminous curb for approximately 15LF for a total price of \$27,200.00



Funding per the City Manager is \$10,000 to \$12,000 from the Local Street fund and the balance for the DDA/TIF fund.

Roll Call Vote:

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

No: None

Abstain: Councilor Belej (paving will be done in front of his home on Forest Street)

Motion Carried.

proclamation

Moved by Councilor Hainault and seconded by Councilor Belej directing the City Manager to draft a proclamation honoring the accomplishment of the Hancock Golf Team for our next meeting.

Yes: All

No: None

Motion Carried.

closed session

Moved by Councilor Hainault and seconded by Councilor Belej to go into closed session to discuss pending litigation with no further action to follow. Time: 9:05 p.m.

Yes: All

No: None

Motion Carried.

come out of closed  
session

Moved by Councilor Belej and seconded by Councilor Haeussler to come out of the closed session. Time: 9:16 p.m.

Yes: All

No: None

Motion Carried.

Moved by Councilor Belej and seconded by Councilor Hainault that this regular meeting of the Hancock City Council be adjourned. Time: 9:17 p.m.

Yes: All

No: None

Motion Carried.

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William Laitila, Mayor

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Karen Haischer, CMC City Clerk