

Worksession
August 19, 2009
6:30 p.m.

DRAFT COPY

Present: Councilors McKenzie, Freeman, Laitila, Belej, Slivon and Hainault.
Absent: Councilor Gemignani.
Also Present: Police Chief Mike Beaudoin and DPW Director Doug Hayrynen.

Reviewed and Discussed:

1. Cemetery Map
Hearing on Cemetery Property is scheduled for 9-29
2. 116 Quincy Street.
-LLC
-State Farm Insurance \$320,000
-2 mortgages 1st N|SNB (Primary) 2nd Co-America
-25% fire withholding from the State \$81,689.00 (city received)
3. Update on Bell Tower Suites.
- Doesn't need site plan review, not changing zoning. Zone use is B3.
4. MDOT City is looking for money (\$25,000) for repaving Santori's Corner.
5. 6-8 new water service laterals and Vollwerths wants a 6" line.
6. FU and MTU Update
MTU has an increase in enrollment
FU has about 581 students
7. Condon Field design work has started.
8. 30 FU students to clean up and paint Beach.
9. Quincy Hill assisted living concept drawing.
16 units + 11 units for a total of 27
10. Quote for sewer camera for the next meeting.
11. Lahti Property - Hancock Street has four lots. Looking to put in 4 single family housing units.
12. Assembly of God is offering an appreciation banquet for City Employees sometime in September.
13. Dr. Leetun and update on Navy Street project and donations.
14. Ron Sintkowski has moved his shed off of City property.
15. Memorial Chapel update. Our insurance turned down their claim. City should consider a good neighbor payment.
16. Entrance Sign.
17. 1233 Cedar Street home.
-City cleaned up lot, cut grass and removed tree limb
18. Update on Houghton County Airport
19. Transit Bus update.
-Ordered in April (State ordered in August) for end of year delivery.
20. Mark Wilcox is now working at Eagle Radio.
21. 118 Hancock Street has an offer to purchase.
22. FU stimulus grant for energy update.
23. Possible State shut down October 1st.
24. DPW monthly report for August, 2009 - Doug Hayrynen
Working at the old DPW site (roads, ditch line, water and sewer, storm sewer, manholes and catch basins) Should be completed in September. Blacktopping water patches. State approved a TWA for \$25,000 for catch basin work on Hancock, M203 and S. Lincoln Dr. to be completed by 9-15-09 by City Crew. PRV valve stuck open on Fir Street causing some pressure problems. Four water leaks (3 have already been repaired). Porvoo bathrooms have had some problems within the last few weeks. Bathrooms are once again locked. Waste Management - catch basin debris.
Navy Street/Water Street Hillside has over grown tree problems.
25. Police Chief monthly report for August, 2009, Mike Beaudoin
189 Complaints - 1 domestic, 3 other assaults, 6 larcenies, 2 embezzlements, 1 check forgery, 2 credit card fraud, money scam, 4 attempted suicides, 2 natural cause deaths, 3 warrants, 3 probation violations, 3 MIP's, fire at 116 Quincy Street, 10 traffic accidents, 5 vehicle accidents, 3 pedestrian accidents, 9 Houghton assists and 9 medical assists.

Regular Meeting
August 19, 2009
7:30 p.m.

The regular meeting of the Hancock City Council was held in the Council Chambers on Wednesday, August 19, 2009 at 7:30 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 McKenzie, Freeman, Laitila, Belej, Slivon and Hainault.

Absent: Councilor Gemignani.

Moved by Councilor Hainault and seconded by Councilor Freeman to excuse Councilor Tom Gemignani from tonight's meeting.

Yes: All

No: None

Motion Carried.

Moved by Councilor McKenzie and seconded by Councilor Freeman approving the August 19, 2009 Agenda as presented.

Yes: All

No: None

Motion Carried.

correspondence

Letter from Midwest Claims Service re: Memorial Chapel
MTEC SmartZone incubator Tenant Updates
32nd Annual UP Water Distribution System Operator's Training October 27 and 28
Marquette
Waste Management re: 4.6% CPI rate increase effective September 1, 2009
Letter to Jim Bogan re: contribution of \$10,000 to the Transit Thank You
Letter from Ed Longenecker re: home at 1233 Cedar Street
Letter to MDOT re: US41 Santori's Corner
Letter to Christa Fornarotto re: Houghton County Memorial Airport Service
Letter from FU re: DDA grant to renovate the entrance of the Finnish American Heritage Center

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. John Condon - 227 Water Street

Trees on the hillside between Water and Navy Streets. At one time the 200-300 block of Water Street was considered choice property prior to the 1900. Would like the north side of the trail cut back. DPW and prisoner crew are in agreement, however, they said the residents on Water Street would have to ask the Council for approval. Would like the Council to order Doug to cut trees down.

2. Jack Eberhart - 302 Vivian Street

HBPA has new Shop Hancock Cards out in the Communities of Houghton and Hancock Printed 2500 cards.

3. Bob O'Neill - 229 Water Street

Would request that the trees be cut down so they have a view of the water, which they had for years.

4. Derek Bradway - Dollar Bay

Owner of Bell Tower Suites. Would like Council support to amend the existing MSHDA Grant for additional funding for the project at 323 Hancock Street.

Moved by Councilor Belej and seconded by Councilor Hainault approving the minutes of the July 15, 2009 worksession and regular meeting as presented.

Yes: All

No: None

Motion Carried.

reports

Planning Commission minutes of June 22nd

DDA minutes of July 6th

Building Authority minutes of July 24th

WUPPDR minutes of June 15th

Hancock Housing Commission minutes of June 17th

US41 and M203 Corridor minutes of July 21st

-Site Plan review Montezuma Street, Pewabic Apts. City of Houghton

-Site Plan review Hancock Technology Park City of Hancock

-Site Plan review Mini-Mall, Mark Korpela City of Houghton

PLWSA minutes of June 9th

PLWSA minutes July 14th

Moved by Councilor Freeman 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. Review July 25th fire at 116 Quincy Street with Fire Department Representatives.
 - 10 minute video
 - Report from Michael T. Drewyor PE PS re: Post Fire Inspection of Apt. building
 - City received \$81,689.00 from the State Fire Withholding Fund. Will hold in escrow.Derek Bradway - remove inside of building. 1/3 of the building is OK and the back 2/3 needs to be repaired. Cleanup could cost around \$75,000. Will patch up windows.
2. Birch Grove Mobile Home Park Update.
 - 31 lots are sold or rented. This park is now full.
3. MDOT TWA for catch basin cover repairs on US41.
 - Contract approved for City Crew to do work for \$25,000. Completed by 9-15-09
4. 2009 Labor Day Bridge Walk.
5. Update on Vivian Street water work.
6. Transit Building Design. Address: 1599 Tomasi Drive. Cost \$650,000.00.
7. MERS Premier Health Insurance Status.
 - Mers is getting out of the insurance business.
8. COPS Grant.
 - City grant was not approved.
9. Review LDFA and METC audit for FY 07-08
 - Hired Brent Issacson full-time as of 8-2-09
10. Update on ARRA funds. (Stimulus Money)
 - Report Quarterly - Federal Web Page- follows Davis Bacon-buy American

old business

rescinding two speed bumps on emery

Moved by Councilor Freeman and seconded by Councilor McKenzie to rescind prior action approving two speed bumps on Emery Street.

Roll Call Vote:

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

No: Councilor Slivon

Motion Carried.

remove speed bumps on Sigsbee

Moved by Councilor McKenzie and seconded by Councilor Belej to remove the speed bumps on Sigsbee Street approved by the Council last year and installed for the first time this year.

Roll Call Vote:

Yes: Councilor Freeman

No: Councilors Hainault, Slivon, Belej, Laitila and McKenzie.

Motion Failed.

rescind approval of water project
change order

Moved by Councilor Hainault and seconded by Councilor Slivon to rescind approval of the water project change order made in July and adopt a new revised change order #005 for a total project decrease of \$22,157.62.

Yes: All

No: None

Motion Carried.

j clark const payment \$16,018.50

Moved by Councilor Hainault and seconded by Councilor Belej approving a final payment to J. Clark Construction for \$16,018.50 for the City Hall Project.

Yes: All

No: None

Motion Carried.

new business
july 2009 a/p

Moved by Councilor McKenzie and seconded by Councilor Freeman approving the July, 2009 accounts payable in the amount of \$154,777.35 and authorize payment as follows as funds become available:

General	\$47,090.48
Major	172.84
Local	91.77
Transit	3,288.84
Sewer	47,048.46
Water	45,227.96
Motor V.	7,914.68
DDA	3,942.32
Total	\$154,777.35

Roll Call Vote:

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

No: None

Motion Carried.

add'l checks typed in the month of july

Moved by Councilor McKenzie and seconded by Councilor Hainault approving the additional checks typed in the month of July, 2009 in the amount of \$832,952.11 and authorize payment as follows:

expenses	\$187,420.57
transfers	\$645,531.54
Total	\$832,952.11

Roll Call Vote:

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

No: None

Motion Carried.

winter sand bids for 09/10

Request for 4500 tons of processed sand, specifications 2NS.

Bidders:

Superior Sand and Gravel Inc.

Hancock \$38,475.00

Valley View Quarry

Houghton \$38,868.00

Pebbles, Inc.

Mohawk \$39,330.00

Low Bidder: Superior Sand and Gravel, Inc.

Moved by Councilor Hainault and seconded by Councilor Belej awarding the Winter Sand Bid for 4500 tons of processed sand, specifications 2NS to the low bidder Superior Sand and Gravel, Inc. in the amount of \$38,475.00 delivered.

Roll Call Vote:

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

No: None

Motion Carried.

resolution #15-09

Moved by Councilor McKenzie and seconded by Councilor Belej adopting Resolution #15-09 "Accepting the Michigan Green Communities Challenge" as follows:

**City of Hancock
Resolution #15-09
Accepting the
Michigan Green Communities Challenge**

WHEREAS:

- (a) The City of Hancock wants to emphasize the long-term economic and environmental benefits of energy efficiency and conservation;
- (b) The City of Hancock wants to demonstrate that energy efficiency and conservation practices can be applied to the daily governmental operations and to infrastructure projects;
- (c) The City of Hancock seeks to find methods of service delivery and operations that conserve energy and resources, saving taxpayer dollars in the long-term and protecting and preserving the environment;
- (d) The City of Hancock recognizes that sound energy efficiency and conservation practices can reduce government costs over the long-term;
- (e) The City of Hancock will lead by example to show the practicality and effectiveness of these practices;
- (f) The City of Hancock seeks to encourage its citizens and businesses to initiate stewardship activities that benefit the environment and their community; and
- (g) The City of Hancock recognizes input from and collaboration with community members and community groups is essential to carrying out energy efficiency and conservation practices.

ACCORDINGLY, IT IS RESOLVED THAT THE City of Hancock accepts the Michigan Green Communities Challenge and pledges to work toward achieving the goals of the **Basic Challenge** over the next three years.

Yes: All

No: None

Motion Carried.

energy efficiency committee

Moved by Councilor Hainault and seconded by Councilor Belej to appoint a City Green Communities Energy Efficiency Committee, initially made up of John Slivon, Lisa McKenzie, Bonnie Holland, Bruce Woodry, Fred Knoch and Tracie Williams.

Yes: All

No: None

Motion Carried.

engineering agreement
hitch/ohm campus drive

Moved by Councilor Belej and seconded by Councilor McKenzie approving an engineering agreement with Hitch/ohm for \$16,800.00 for design and inspection for construction of one (1) BLOCK OF Campus Drive between Elevation and Poplar Streets. Major Street Fund to pay for engineering and to be funded with a \$90,000.00 Small Urban ARRA Grant.

Roll Call Vote:

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

No: None

Motion Carried.

hitch/ohm final bill for
city hall \$2960.00

Moved by Councilor Hainault and seconded by Councilor Freeman approving the final bill payment to Hitch/ohm for City Hall in the amount of \$2960.00. This covers the final inspection of the project.

Roll Call Vote:

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

No: None

Motion Carried.

transit facility design
hitch/ohm bill

Moved by Councilor Freeman and seconded by Councilor Belej approving a bill from Hitch/ohm for the Transit Facility design of \$12,450.00. Transit Fund

Roll Call Vote:

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

No: None

Motion Carried.

smartzone 09/10 budget

Moved by Councilor Belej and seconded by Councilor McKenzie approving the FY 09/10 MTEC SmartZone Budget as presented.

Income \$833,800.00

Expense \$839,800.00

Net Income -6,000.00

Yes: All

No: None

Motion Carried.

water inspection work
hitch/ohm bill

Moved by Councilor Freeman and seconded by Councilor McKenzie approving a bill from Hitch/ohm for water inspection work in the amount of \$2,196.88. 2008 Water Const. Acct.

Roll Call Vote:

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

No: None

Motion Carried.

aara rd grant for water

Moved by Councilor Slivon and seconded by Councilor Hainault to accept a \$2,975,000.00 AAR RD Grant and a \$1,225,000.00 loan at an interest rate of 2.65% for 40 years. Total of \$4,200,000.00 for Water Distribution Improvements.

Roll Call Vote:

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

No: None

Motion Carried.

aara rd grant for sewer

Moved by Councilor Hainault and seconded by Councilor Belej to accept a \$1,908,000.00 AARA RD Grant and a \$2,092,000.00 loan at an interest rate of 2.65% for 40 years. Total of \$4,000,000.00 Sewer Distribution Improvements.

Roll Call Vote:

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

No: None

Motion Carried.

engineering agreement water
hitch/ohm

Moved by Councilor Freeman and seconded by Councilor Hainault approving an engineering agreement with Hitch/ohm for a not to exceed \$432,350.00 fee for the Water Project, subject to RD Grant and Loan closing and authorizing the City Manager to execute the agreement.

Roll Call Vote:

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

No: None

Motion Carried.

engineering agreement sewer
hitch/ohm

Moved by Councilor McKenzie and seconded by Councilor Hainault approving an engineering agreement with Hitch/ohm for a not to exceed \$465,000.00 fee for the Sewer Project, subject to RD Grant and Loan closing and authorizing the City Manager to execute the agreement.

Roll Call Vote:

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

No: None

Motion Carried.

nsp-2009-0657-CFR

Moved by Councilor McKenzie and seconded by Councilor Belej approving MSHDA NSP Grant #2009-0657-CFR for \$150,000.00 and authorize the Mayor to execute the agreement.

Roll Call Vote:

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

No: None

Motion Carried.

mml representative

No one is planning on attending.

bell tower suites request

Moved by Councilor McKenzie and seconded by Councilor Freeman to ask MSHDA to amend our current Rental Rehab. Grant to add an additional \$164,989.00 to allow \$14,999.00 per unit for the Bell Tower Suites on Hancock Street.

Roll Call Vote:

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

No: None

Motion Carried.

water street/navy street
hillside tree cutting

Moved by Councilor Hainault and seconded by Councilor Freeman to approve the request from the Water Street residents and direct the City Manager to do selective tree cutting on the hillside to improve their view of the waterway from Water Street and send a letter to the Navy Street residents explaining the Council decision.

Yes: All

No: None

Motion Carried.

HBPA - Status on the parking meters in the downtown area?

Moved by Councilor Freeman and seconded by Councilor McKenzie that this regular meeting of the Hancock City Council be adjourned. Time: 10:15 p.m.

Yes: All

No: None

Motion Carried.

William Laitila, Mayor

Karen Haischer, CMC City Clerk