

CITY OF HANCOCK COUNCIL
MEETING MINUTES
WEDNESDAY, APRIL 5, 2023
HANCOCK CITY HALL, 399 QUINCY STREET
Public viewing available via ZOOM.com Meeting ID: 821 4402 1682

Regular Meeting at 6:00 PM

Call to order and pledge of allegiance led by Mayor Paul LaBine

Roll Call and verification of quorum

Present: Councilors Blau, McKenzie, LaBine, Rickard, Lounibos, Warstler

Absent: Councilor Freeman

Also Present in person: John Zurcher, John Erickson, Michael Markham, Garrett Neese, Lora Frea, Thomas Fournier, Dave Dow, Patrick Vissers, Zack Osborn, Glenn Anderson, Tami Sleeman, Brian Rimpela, Michele Balu.

Also Present via Zoom: Dick Storm.

Motion by Councilor Rickard and supported by Councilor Warstler to excuse Councilor Freeman from tonight's meeting.

Yes: All

No: None

Motion Carried

Review and approval of agenda – Motion by Councilor Rickard and supported by Councilor Warstler to approve the agenda with the correction to the date for item #8 from April 29, 2023 to May 3, 2023 and add New Business item #12 to consider scheduling the Budget Work Session at 6:00 pm on April 26th, May 17th and May 31st (if necessary) with a Public Hearing on June 7th.

Yes: All

No: None

Motion Carried

Motion by Councilor Warstler and supported by Councilor McKenzie to limit public comment to 3 minutes per person.

Yes: All

No: None

Motion Carried

Public Comment – None.

Communication

Susan – Thank you

Copper Country Arts Center

Portage Lake Condominium Association

MDOT – City of Hancock Transit

UPPCO – Notice of Hearing

Motion by Councilor Blau and supported by Councilor Warstler to accept and place on file the communications as presented.

Yes: All
No: None
Motion Carried

Review and acceptance of meeting minutes

Planning Commission	February 27, 2023
Recreation Commission	January 10, 2023
PLWSA	February 21, 2023

Motion by Councilor Rickard and supported by Councilor McKenzie to receive and put on file the meeting minutes as presented.

Yes: All
No: None
Motion Carried

Review and approval of City Council meeting minutes

Regular Meeting	February 15, 2023
Regular Meeting	March 15, 2023

Motion by Councilor McKenzie and supported by Councilor Rickard to approve and accept the City Council Regular meeting minutes of February 15, 2023 and March 15, 2023 as presented.

Yes: All
No: None
Motion Carried

Administrative Report

City Manager Babcock commented on the following:

- Master Plan Public Input Session on April 12th and April 13th.
- May Election to renew the Houghton County Road Millage.
- UP Health Portage – Bridgefest Presenting Sponsor.
- Help Wanted - Heavy Equipment Operator for Todd Borke’s position. Deve Pihlaja is retiring at the end of April and Todd will be the new Water System Operator.
- Spring Clean up will be May 12th from 8:00 a.m. to 5:30 p.m and May 13th from 8:00 a.m. to 3:00 p.m.
- Scrap Tire Recycling event will be May 5th.
- John Diebel – Do Good Volunteer of the Month.
- Easter Egg Hunt will be on the Quincy Green on Saturday, April 8th at 11:00 a.m.
- Finlandia University has been placed in receivership and the receiver was to be appointed today.
- Office Closure-April 7th, Good Friday holiday.
- Spring Newsletter to go out shortly.
- City Hall updates - new doors to City Hall are in at McGanns and will be installed soon, also updates to the front desk area.

New Business

1. Motion by Councilor Rickard and supported by Councilor McKenzie to approve Resolution 23-05 Installment loan agreement with Huntington Bank in the amount of 192,002 for a term of 7 years with interest of 4.40%.

Roll Call

Yes: Warstler, Lounibos, Rickard, LaBine, McKenzie, Blau

No: None

Motion Carried

2. Motion by Councilor Blau and supported by Councilor McKenzie to approval of Resolution 23-06 to authorize the application for a special liquor license to the Michigan Department of Licensing and Regulatory Affairs Liquor Control Commission from the application from Hancock Fire Department for the special license to serve alcohol on July 14, 2023 to be located at 400 Quincy St., Hancock MI 49930.

Roll Call

Yes: Blau, McKenzie, LaBine, Richard, Lounibos, Warstler

No: None

Motion Carried

3. Motion by Councilor LaBine and supported by Councilor McKenzie to appoint applicant Frank Fiala to the Downtown Development Authority with a term ending January 31, 2027.

Yes: All

No: None

Motion Carried

4. Motion by Councilor Warstler and supported by Councilor McKenzie to reappoint Amanda Lutey to the Rental Code Board of Appeals with a term ending February 28, 2025.

Yes: All

No: None

Motion Carried

5. Motion by Councilor Blau and supported by Councilor Warstler to reappoint Rick Freeman Jr to the Rental Code Board of Appeals with a term ending February 28, 2025.

Yes: All

No: None

Motion Carried

6. Motion by Councilor Rickard and supported by Councilor McKenzie to appoint John Haeussler as the Hancock Resident for the Rental Code Board of Appeals with a term ending February 28, 2025.

Yes: All

No: None

Motion Carried

7. Motion by Councilor McKenzie and supported by Councilor Warstler to approve Amendment 2 to the EGLE Grant Project #2022-306A-010 with an extension to September 30, 2023 and increase of Contractual Services of \$35,000 for a total grant amount of \$80,000.

Roll Call

Yes: Warstler, Lounibos, Rickard, LaBine, McKenzie, Blau

No: None

Motion Carried

8. Motion by Councilor Rickard and supported by Councilor Warstler to schedule a Public Hearing for draft Solar and Wind Ordinance that was recommended by the Planning Commission on March 27, 2023 for May 3, 2023 at 6:00 p.m. with amendments to move the definitions to the beginning; remove “septic system” from page 3, paragraph 1; and page 3 paragraph 2 (1) add planning commission or strike “city”.

Roll Call

Yes: Blau, McKenzie, LaBine, Richard, Lounibos, Warstler

No: None

Motion Carried

9. Motion by Councilor Blau and supported by Councilor Warstler to form a Hancock Arena Advisory Board with membership including a City Councilor, Jon French – CCJHA, Craig Sporaliski – Old Timers, Chris Salani – Hancock Public Schools, DPW Director, and City Manager.

- a. Motion by Councilor LaBine and supported by Councilor Rickard to amend the motion to appoint Ron Blau as the City Council member.

Yes: All

No: None

Motion Carried

Yes: All

No: None

Motion Carried

10. Motion by Councilor Rickard and supported by Councilor McKenzie to proceed with the Poplar Street improvements and pavement repairs at an approximate cost of \$400,000.00 for work to be done by the City’s DPW workers.

Roll Call

Yes: Warstler, Lounibos, Rickard, LaBine, McKenzie, Blau

No: None

Motion Carried

11. Motion by Councilor McKenzie and supported by Councilor Warstler to approve the route service agreement and grapple truck agreement for the Scrap Tire Recycle Event.

Roll Call

Yes: Blau, McKenzie, LaBine, Richard, Lounibos, Warstler

No: None

Motion Carried

12. Motion by Councilor Rickard and supported by Councilor LaBine to schedule the Budget Work Session at 6:00 p.m. on April 26th, May 17th and May 31st (if necessary) with a Public Hearing on June 7th.

Yes: All

No: None

Motion Carried

Public Comment

Dave Dow introduced himself as the new Code Enforcement Officer.

Zack Osborn – Emery St., asked about the Poplar St. project.

Lora Frea – Scott Building – commented on bus transportation and financial assistance for elderly taking the transit.

Council Member Comments

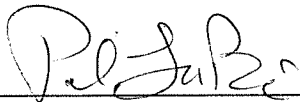
Time was provided for council members to promote, discuss and/or comment on items not on the agenda.

Motion by Councilor Blau and supported by Councilor Warstler to adjourn the meeting at 7:04 p.m.

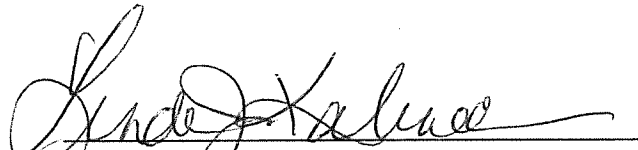
Yes: All

No: None

Motion Carried



Paul LaBine, Mayor



Linda Kalinec, City Clerk

#23-05

**RESOLUTION AUTHORIZING
INSTALLMENT PURCHASE AGREEMENT**

City of Hancock
County of Houghton, State of Michigan

Minutes of a regular meeting of the City Council of the City of Hancock, County of Houghton, State of Michigan, held on the 5th day of April, 2023, at 6:00 p.m., prevailing Eastern Time.

PRESENT: Members Warstler, Lounibos, Rickard, LaBine, McKenzie, Blau

ABSENT: Member Freeman

The following preamble and resolution were offered by Member Rickard and supported by Member McKenzie :

WHEREAS, the City Council of the City of Hancock, County of Houghton, State of Michigan (the "City") determines it to be necessary for the public health, safety and welfare of the City and its residents to acquire a 2023 Western Star Sander, as described in more detail on Exhibit A attached hereto (the "Equipment"); and

WHEREAS, under the provisions of Act 99, Public Acts of Michigan, 1933, as amended ("Act 99"), the City is authorized to enter into any contracts or agreements for the purchase of the Equipment to be paid for in installments over a period of not to exceed the useful life of the Equipment acquired as determined by resolution of the City; and

WHEREAS, the City shall purchase the Equipment for the sum of \$192,002 (the "Purchase Price") which shall be financed through the execution of an Installment Purchase Agreement (the "Agreement") between the City and Huntington Public Capital Corporation, Las Vegas, Nevada (the "Purchaser"), with U.P. Truck Center Inc., Quinnesec, Michigan, assigning its right to be paid to the Purchaser; and

WHEREAS, the outstanding balance of all purchases by the City under Act 99, exclusive of interest, shall not exceed one and one quarter percent (1-1/4%) of the taxable value of the real and personal property in the City at the date of such contract or agreement; and

WHEREAS, the purchase of the Equipment pursuant to the Agreement will not result in the outstanding balance of all such purchases in excess of the limitation contained within Act 99 as set forth above; and

WHEREAS, the Agreement is to be assigned to the Purchaser; and

WHEREAS, it is necessary to approve the Agreement and authorize the Mayor, City Manager and City Clerk/Treasurer to execute the Agreement and authorize City officials to execute certain other documentation relative thereto.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Approval of Agreement; Agreement Terms. The Agreement is hereby approved substantially in the form attached hereto at Exhibit B. The City shall incur the debt described in the Agreement through execution of the Agreement by the officers authorized below which debt shall consist of the Purchase Price of \$192,002, which shall be payable in seven (7) annual installment payments of principal due on May 1 of each year commencing May 1, 2024, with interest thereon first payable on May 1, 2024 and annually each May 1 thereafter at a rate of 4.40% per annum; provided that the Mayor, City Manager and City Clerk/Treasurer are each hereby authorized to adjust the payment dates and final details set forth herein to the extent necessary or convenient to complete the transaction authorized herein, and in pursuance of the foregoing are each authorized to make determinations regarding the principal and interest payment dates.

2. Execution and Delivery of Agreement. The Mayor, City Manager and City Clerk/Treasurer are each hereby authorized and directed to execute the Agreement and deliver it to the Vendor, substantially in the form attached hereto with such additions, changes and modifications as shall be approved by the City's bond counsel.

3. Useful Life of Equipment. The useful life of the Equipment is hereby determined to be not less than seven (7) years.

4. Authorization of Officers. The Mayor, City Manager and City Clerk/Treasurer are each authorized to execute such additional documentation and open such accounts as shall be necessary to effectuate the closing of the Agreement and the assignment thereof to the Purchaser within the parameters set forth in this resolution.

5. Assignment of Agreement. The assignment by the Vendor to the Purchaser of the Agreement or of the Vendor's right to be paid for the Equipment is hereby approved.

6. Security; Limited Tax Pledge. The City hereby agrees to include in its budget for each year, commencing with the current fiscal year, a sum which will be sufficient to pay the principal of and the interest on the Agreement coming due before the next fiscal year. In addition, the City hereby pledges to levy ad valorem taxes on all taxable property in the City each year in an amount necessary to make its debt service payments under the Agreement, subject to applicable constitutional, statutory and charter tax rate limitations.

7. Tax Covenant. The City covenants that, to the extent permitted by law, it shall take all actions within its control necessary to maintain the exclusion of the interest component of the payments due under the Agreement from adjusted gross income for general federal income tax purposes under the Internal Revenue Code of 1986, as amended (the "Code"), including but not limited to, actions relating to the rebate of arbitrage earnings, if applicable.

8. Qualified Tax-Exempt Obligation. The City hereby designates the Agreement as a "qualified tax-exempt obligation" for purposes of deduction of interest expense by financial institutions pursuant to the Code.

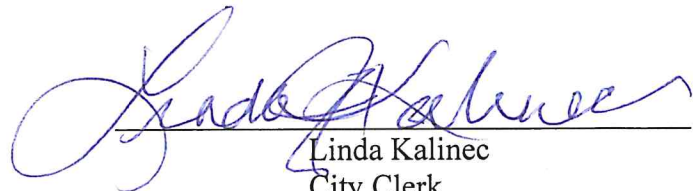
9. Rescission. All resolutions and parts of resolutions insofar as they conflict with the

provisions of this resolution be and the same hereby are rescinded to the extent of such conflict.

AYES: Members Warstler, Lounibos, Rickard, LaBine, McKenzie, Blau

NAYS: Members None

RESOLUTION DECLARED ADOPTED.


Linda Kalinec
City Clerk

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of Hancock, County of Houghton, State of Michigan, at a regular meeting held on April 5, 2023 and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, as amended, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.


Linda Kalinec
City Clerk

#23-05

EXHIBIT A

Description of Equipment

SALES INVOICE

U.P. TRUCK CENTER INC.

4920 Menominee Street, P.O. Box 261
Quinnesec, MI 49876

Invoice#: 1165

Phone: (906) 774-0098 Fax: (906) 774-9480

Year: 2003	Make: <u>Mercedes</u>	Body Style: <u>Street Dump</u>	Color: <u>Black</u>	Purchaser/Company Name: <u>City of Hammonds</u>	Date: <u>03/17/2003</u>
Vehicle ID Number: <u>SKKDAXFEXPPUK9074</u>	Engine: <u>49</u>	Odometer: <u>49</u>	Address: <u>399 Aurora Street</u>	City: <u>Hammonds</u>	State: <u>MI</u> Zip: <u>49930</u>
Trim: <u>1165</u>	Weight/ Fee Cat.	Delivery Date	Bus. Phone: <u>906-482-1480</u>	Home/Cell Phone:	County-Residence: <u>Alcona</u>
This Vehicle will be used as: <input type="checkbox"/> Police Veh. <input type="checkbox"/> Taxi <input type="checkbox"/> Salvage <input type="checkbox"/> Gov't Vehicle			Insurance Company: <u>N/A</u>		
This Vehicle has been used as: <input type="checkbox"/> Police Veh. <input type="checkbox"/> Taxi <input type="checkbox"/> Salvage <input type="checkbox"/> Gov't Vehicle			Agent/Phone Number: <u>N/A</u>		
Federal ID Number: 38-2613901 Michigan Dealer License: A-1544			Policy/Binder Number:		

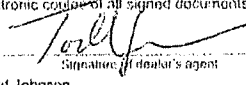
Base Price of Vehicle:	119,500.00	56	Labor and Non Taxable Charges		
Added Accessories and/or Equipment:					
+ Mercedes Surcharge	5,800.00	00			
+ Mercedes Body Machine	66,805.00	00			
+ Power Seats Option	402.00	00			
			Labor Total Only		
			Freight Charges		
			Total Subject To P.E.T. Exempt	XXXXXXXXXX	XX
			P.E.T. Liable:	XXXXXXXXXX	XX
			Tire Credit: <220.56>	XXXXXXXXXX	XX
				P.E.T. Owed	5220.56
Taxable Sub-total (To Line 1)	192,207.56	56	Non-Taxable Subtotal (to Line 6)	5220.56	56

Description of Trade In:				1) Price of Vehicle		\$ 192,207.56	
Year:	Make:	Body Style:	Color:	2) Other Taxable Charges (Duc. Fees, Service Fees, Etc.)		0.00	
	N/A	N/A		3) Trade-In Sales Tax Credit		0.00	
Vehicle ID Number:	N/A	Appraisal (To Line 10):	N/A	4) Total Taxable Price		192,207.56	
Appraised By:	Lien Holder	Balance Owed (To line 11):		5) A) Sales Tax:	0.00	XXXXXXXXXX	
Lien Holder:				B) License Fee:	0.00	XXXXXXXXXX	
				C) Title Fee:	15.00	XXXXXXXXXX	
				Total # 5		15.00	
Lien Holder ID#:				6) Labor and non-tax charges	220.56	56	
<p>This agreement is not binding upon either the purchaser or the dealer until it is signed by both parties, or shall not be binding upon the dealer or the purchaser until all credit terms, if applicable, are approved and accepted by all parties- dealer, purchaser and lending institution. If credit terms are not acceptable, full deposit will be refunded to the purchaser. Agreement based upon availability of vehicle. Purchaser is of legal age in this state.</p> <p>I have read and understand the terms of this transaction and received a completed copy of this agreement.</p> <p>* Title Only * Municipal Vehicle * Tax Exempt Due to Government Entity</p>				7) Total Delivered Price	192,002.00	00	
				8) Cash on Deposit	Receipt Number	0.00	
				9) Cash Due on Delivery/Closing		192,002.00	
				10) Trade in Value	0.00	XXXXXXXXXX	XX
				11) Less Lien Value	0.00	XXXXXXXXXX	XX
				12) Net Trade Value		0.00	
				13) Balance Due		192,002.00	
				14) Finance Charges		0.00	
				15) Insurance Charges		0.00	
				Balance Due at Closing		\$ 192,002.00	00

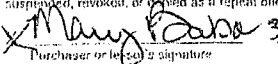
Purchaser Signature	<u>X Mary Basora</u>	Date:	<u>3/20/2003</u>
Co-Purchaser Signature		Date:	
Dealer or Authorized Representative Signature	<u>Toll</u>	Date:	<u>3/17/2003</u>

Michigan Department of State Application for Title and Registration Statement of Vehicle Sale

Purchase date 03/17/2023 Stock number 1165 Delivery date _____

Dealer: U.P. Truck Center, Inc. Street address: 4920 Menominee Street, P.O. Box 261 City: Quinnesec County: Dickinson State: MI ZIP code: 49876 Dealer license number: A1544 Sales tax license number: 38-2613901 Phone number: (906) 774-0098		Plate number: _____ Plate expiration date: _____ Month: _____ Day: _____ Year: _____ Year: 2023 Make: WESTERN STAR Body style: Dump M Vehicle Identification Number: 5KKDAXFEXPPUK9074 (Base MSRP or empty weight)	<input checked="" type="checkbox"/> Title only <input type="checkbox"/> New plate <input type="checkbox"/> Renewal <input type="checkbox"/> Transfer County of residence: Houghton License plate fee: 0.00
Vehicle sold: <input checked="" type="checkbox"/> New <input type="checkbox"/> Used <input type="checkbox"/> Demo Trade-in: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Trade-in year: _____ Trade-in make: N/A Vehicle Identification Number (VIN): _____ Vehicle registration to transfer plate <i>Expires 30 days after delivery date</i> Plate transferred from: Year _____ Make N/A Vehicle Identification Number (VIN): _____ Plate number: _____	Driver's license, ID, or FEIN number of all owners or lessors: 1) _____ 2) _____ 3) _____ Complete names and address of all owners or lessor: City of Hancock 399 Quincy Street Hancock, MI 49930	Plate transfer fee: 0.00 Title fee: 15.00 Fees late fee: \$24 (50% by 4 days & 50% above 4 days) Sales tax: 0.00 Total - transfer to lessor: 15.00 Full title transfer: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Vehicle history and title brand disclosure <input type="checkbox"/> Police vehicle <input type="checkbox"/> Vehicle has been flood damaged <input type="checkbox"/> Municipal vehicle <input type="checkbox"/> Salvage title was previously issued <input type="checkbox"/> Taxi		Michigan No-Fault insurance company: N/A Policy or policy number: N/A	
Odometer mileage disclosure <i>The odometer mileage reading must match the mileage reading disclosed to the purchaser on the title or mileage statement.</i> No tenths <input checked="" type="checkbox"/> Actual mileage <input type="checkbox"/> Exempt <input type="checkbox"/> Not actual mileage		Secured interest: N/A Lien filing date: _____ Street address: _____ Lien state ID: _____ City, state, ZIP: _____	
Remarks: *Title Only Transaction *Municipal Vehicle *Tax Exempt Due To Government Entity, Form On File I have selected and agree to pay the optional \$24 electronic filing fee. Customer initials: _____		1. Purchase price of vehicle (including freight & accessories) 192,207.56 2. Other taxable charges (license, sales, corp. reg. fees, etc.) 0.00 2a. Optional electronic \$24 filing fee 0.00 3. Trade-in sales tax credit 192,207.56 4. Total taxable price (line 1 + line 2 + line 2a - line 3) 15.00 5. Sales tax + plate fee + title fee (from total above) -220.56 6. Non-taxable charges (title, license, contract, etc.) 192,002.00 7. Total delivered price (line 4 + line 5 + line 6) 0.00 8. Cash on deposit 192,002.00 9. Cash due on delivery 0.00 10. Trade-in 0.00 11. Minus fees 0.00 12. Total down payment 192,002.00 13. Unpaid balance to be financed 0.00 14. Insurance/additional product charge 0.00 15. Total amount of finance contract (line 13 + line 14) 0.00	
Recreation Passport? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Purchaser or lessee's initials: _____ I certify this vehicle was delivered to the named purchaser or lessee on the delivery date indicated above, all information on this form is accurate and the vehicle is subject only to the secured interest listed on this form. I certify the dealership will apply for title and registration in the purchaser's name within 21 days of the delivery date, and that I have provided paper or electronic copies of all signed documents to the purchaser. X  Signature of dealer's agent Todd Johnson Agent Title		*Warning: This insurance is not PLIPD No-Fault insurance required by Michigan law. <input type="checkbox"/> Credit life insurance <input type="checkbox"/> Health & accident insurance <input type="checkbox"/> Gap or waiver <input type="checkbox"/> DFS-11 temporary registration number (this number may be handwritten): C Permitted name of subpurchaser: N/A	

Purchaser warning: Do not sign a blank form
 I am purchasing or leasing this vehicle and am applying for a Michigan certificate of title and registration or, if the lessee, applying for a registration. I certify that my driver's license is not suspended, revoked, or used as a repeat offender and I am eligible to purchase or register this vehicle. I further certify that if a tax exemption is shown above it is valid.

X  Date: 3/20/23 X _____ Date: _____ X _____ Date: _____
 Purchaser or lessee's signature Date Co-purchaser's signature Date Co-purchaser's signature Date
 X _____ Date: _____ X _____ Date: _____ X _____ Date: _____
 Lessor's signature Date Co-lessee's signature Date Co-lessee's signature Date

Note to purchasers: If you do not receive your vehicle title within 45 days, contact the Department of State Information Center at 800-767-6324.
 Authority granted by P.A. 309 of 1945, as amended. Form must be typed only. See Dealer Manual for permitted handwritten corrections. (FD-109 Rev. 01/20)

#23-05

EXHIBIT B

Form of Installment Purchase Agreement

(attached)



Michigan Department of Licensing and Regulatory Affairs
 Liquor Control Commission (MLCC)
 Constitution Hall - 525 W. Allegan, Lansing, MI 48933
 Mailing Address: P.O. Box 30005, Lansing, MI 48909
 Toll-Free: 866-813-0011 - www.michigan.gov/lcc

Business ID: _____
 Request ID: _____
 (For MLCC Use Only)

#23-06

Certified Resolution of the Membership or Board of Directors Authorizing the Application for Special License

(Required under Administrative Rule R 436.576 - Not Required for Candidate Committee)

At a Regular Special meeting of the Membership Board of Directors

called to order by Paul LaBine on 4/5/2023 at 6:00 pm
(Date) (Time)

the following resolution was offered:

Moved by Councilor Ron Blau and supported by Councilor Lisa McKenzie

that the application from Hancock Fire Department
(Name of Organization)

for a Special License to serve alcohol on 7/14/2023
(Event Date or Dates)

to be located at 400 Quincy St., Hancock, MI 49930
(Physical Address - Include Location Name, Street Address, City, State, & Zip Code)

It is the consensus of this body that the application be Recommended for issuance.
(Recommended or Not Recommended)

Approval Vote Tally

Yeas: 6
 Nays: 0
 Absent: 1

Certification by Authorized Officer of Organization:

I hereby certify that the foregoing is true and is a complete copy of the resolution offered and adopted by the

Membership Board of Directors at a Regular Special meeting held on 4/5/2023
(Date)

Linda Kalinec, City Clerk

Print Name & Title of Authorized Officer

Signature of Authorized Officer

04/05/2023

Date