

CITY COUNCIL MINUTES

City of Hillsdale

July 17, 2023

7:00 P.M.

Regular Meeting

Call to Order and Pledge of Allegiance

Mayor Stockford opened the meeting with the Pledge of Allegiance.

Roll Call

Mayor Stockford called the meeting to order. Clerk Price took roll call.

Council Members present: Adam Stockford, Mayor
Greg Stuchell, Ward 1
William Morrissey, Ward 2
Cynthia Pratt, Ward 2
Bruce Sharp, Ward 3
Gary Wolfram, Ward 3
Robert Socha, Ward 4
Joshua Paladino, Ward 4

Council Members absent: Anthony Vear, Ward 1

Also Present: David Mackie (City Manager), Attorney Tom Thomson, Katy Price (City Clerk), Jason Blake (DPS Director), Scott Hephner (HCPD/HCFD), Sam Fry (Marketing Coordinator), Kristin Bauer (City Engineer), Jake Hammel (Electric Director), Ginger Moore (Airport Manager), Troy Broccto, Brian Farkas, Mike Rudzinski, Bob Batt, Penny Myers, Eric Myers, Christian Winter, Rick Roth, Gary Barler, Lisa Schulz, Eric Schulz, Kent Heise, Stephanie Stockford, Mark Nichols, Chris Fund, Jeremiah Regan, Jacob Bruns, Lance Lashaway, Jennifer Weil, Jerry Wilhelm, Joseph Hendee.

Approval of Agenda

City Manager Mackie requested Communications item D. Cobra Moto LLC letter to be added.

Motion by Councilman Morrissey support by Council member Socha Communications items D. Cobra Moto LLC.

By a voice vote, the motion passed unanimously.

Motion by Councilman Morrissey support by Councilmember Socha to approve the July 17, 2023 agenda as amended.

By a voice vote, the motion passed unanimously.

Public Comment

Bob Batt, BPU Board President, commented on the BPU Board Appointments and the makeup of the board.

Penny Sway, commented on the BPU Board Appointments.

Jack McLain, commented on the Airport and asked if the airport would need to get a zoning permit from the township it resides in for the proposed project.

Kent Heise, commented on the Airport Terminal project item and is in support of the new terminal.

Consent Agenda

- A. Approval of Bills
 - 1. City and BPU Claims of June 15, 2023: \$265,556.96
June 29, 2023: \$1,029,634.59

2. Payroll of June 22, 2023: \$182,068.01
July 6, 2023: \$185,366.49

- B. City Council Minutes of June 19, 2023
 - C. Finance Minutes of June 19, 2023, July 5, 2023
 - D. Airport Advisory Minutes of April 8, 2023, July 8, 2023
 - E. Community Development Minutes of May 2, 2023
 - F. Operations & Governance Committee Minutes of June 22, 2023
 - G. Hillsdale College Noise Variance Requests for Freshman Festivities
 - H. Park Use Agreement: Ratification of Domestic Harmony Agreement
 - I. BPU: Water and Electric Department John Deere Backhoe Purchase
- Motion by Council member Morrissey seconded by Council member Vear to approve the consent agenda as presented.

Roll Call:

Council Member Paladino	Aye
Council Member Pratt	Aye
Council Member Sharp	Aye
Council Member Wolfram	Aye
Council Member Stuchell	Aye
Council Member Socha	Aye
Mayor Stockford	Aye
Council Member Morrissey	Aye

Motion passed 8-0

Communications/Petitions

- A. Share the Warmth Update- Penny Myers
- B. Keefer House Hotel Construction Update
- C. Airport Email
- D. Cobra Moto LLC Letter- Phil McDowell

Penny Myers from Share the Warmth gave update.

City Manager Mackie read Cobra Moto, LLC letter aloud.

Information is presented for information only.

Introduction and Adoption of Ordinances/Public Hearings

Mayor Stockford requested that the order of the public hearings be switched so the Workforce Housing Pilot Ordinance would be first.

Motion by Councilman Sharp support by Council member Pratt to switch the order of public hearings so the Workforce Housing Pilot would be first.

By a voice vote, the motion passed unanimously.

- A. Public Hearing: Workforce Housing PILOT Ordinance

Sam Fry, Marketing Coordinator stated the City of Hillsdale’s Economic Development Corporation (EDC) signed a purchase agreement with Green Development Ventures, LLC, on March 21, 2023, with the objective of selling the EDC’s remaining land (approximately 25.75 acres) located in the Three Meadows Subdivision. The developer, Allen Edwin Homes, has proposed constructing workforce housing targeted at middle-income families. To keep the rents in these new single-family homes affordable for middle-income families, they are seeking to utilize legislation which enables developers of workforce housing projects to enter into PILOT (Payment in Lieu of Taxes) agreements with local governing units. This proposed ordinance would establish the framework for the developer to apply to the City for this tax exemption.

Mayor Stockford opened podium at 7:38 p.m.

With no public commend Mayor closed podium at 7:39 p.m.

Council discussion ensued.

Motion by Councilman Sharp support by Councilmember Socha to approve the Workforce Housing Pilot ordinance as presented.

Roll call:

Council Member Sharp	Aye
Council Member Stuchell	Aye
Council Member Socha	Aye
Council Member Wolfram	Aye
Mayor Stockford	Aye
Council Member Morrissey	Aye
Council Member Paladino	Nay
Council Member Pratt	Aye

Motion passed 7-1

B. Public Hearing Ordinance Amendment to sec. 36-143, Rezoning of 440 & 450 Hidden Meadows Drive

The property located at 440 & 450 Hidden Meadows Drive is vacant property currently owned by the City of Hillsdale Economic Development Corporation (EDC). It is bordered on two sides by public streets to the south and east. The west side of the parcel is the City limit and is bordered by agricultural property. The north side is adjacent to the Three Meadows sub-division which is zoned R-1, Single-Family. The EDC currently has a purchase agreement with Green Ventures, LLC As a requirement of the agreement, Green Ventures, LLC applied for the rezoning of the property from R-1, Single-Family Residential District to RM-1 Multi-Family Residential District.

The Planning Commission held a public hearing at the June 21, 2023 meeting. The Commission moved to recommend the rezoning of the property as requested by Green Ventures, LLC.

Mike West, Green Development Ventures spoke on the rezoning on the southern piece of the Three Meadows properties request and his project for housing that is compliance with the City's Masterplan. Family homes (six units) will each be two stories, 1640 sq. ft., 3 bedrooms, 2 bathrooms, 2 car attached garage. Units share garage wall that separating the homes.

Council Member Wolfram requested clarification on the rezoning area for this specific request.

City Manager Mackie stated it was for 440 and 450 Hidden Meadows Drive, the two properties in Three Meadows area.

Mike West stated four acre parcel would have six duplexes on them and project would be rentals for a minimum of 15 years.

Mayor Stockford opened podium at 7:56p.m.

Missy DesJardin, stated that housing is an issue in Hillsdale but is concerned with the amount that will be charged for rent a month for this project.

Joseph Hendee 181 Rea St., commented that he agreed with Missy and stated one group of individuals being targeted for this project.

Mayor closed podium at 8:11 p.m.

Council Member Wolfram reviewed the thresholds for wages and maximum would be up to \$2000 for four person for the project.

Further Council discussion ensued.

Motion by Councilman Sharp support by Councilmember Socha to approve the rezoning of 440 and 450 Hidden Meadows Drive from R-1, Single-Family Residential District to RM-1 Multi-Family Residential District.

Roll call:

Council Member Sharp	Aye
Council Member Stuchell	Aye
Council Member Socha	Aye
Council Member Wolfram	Aye
Mayor Stockford	Aye
Council Member Morrissey	Aye
Council Member Paladino	Nay
Council Member Pratt	Aye

Motion passed 7-1

Old Business

A. Operations & Governance Committee BPU Board Recommendation

On June 26th the O&G Committee met to discuss how BPU Board appointments should be handled. Councilman Morrissey reviewed the Operations & Governance Committee recommendation and other board information.

Council discussion ensued on the BPU board qualifications and residency.

Moving forward Mayor Stockford will be looking to balance the board members to add more City residents with adequate qualifications to it as terms end and vacancies arise.

B. School Resource Officer Agreement

Scott Hephner, Police Chief stated the agreement is required by the State for grant purposes and contains required sections and specified language. Both the City Police and the Hillsdale Community Schools collaborated on the agreement.

Motion by Councilman Sharp support by Councilmember Wolfram to approve School Resource officer agreement as presented.

Roll Call:

Council Member Paladino	Aye
Council Member Pratt	Aye
Council Member Sharp	Aye
Council Member Wolfram	Aye
Council Member Stuchell	Aye
Council Member Socha	Aye
Mayor Stockford	Aye
Council Member Morrissey	Aye

Motion passed 8-0

New Business

A. Airport MDOT AWOS Contract

City Manager Mackie report the 5-year contract is for the operation and maintenance of the Automated Weather Observation System (AWOS) utilized by the Airport to enhance aviation safety and efficiency. The contract costs the Airport less than \$2,000 per year.

Motion by Councilman Sharp support by Councilmember Morrissey to approve the AWOS Airport MDOT contract # 2023-0456 as presented. **Resolution # 3562.**

Roll Call:

Council Member Paladino	Aye
Council Member Pratt	Aye
Council Member Sharp	Aye
Council Member Wolfram	Aye
Council Member Stuchell	Aye
Council Member Socha	Aye
Mayor Stockford	Aye
Council Member Morrissey	Aye

Motion passed 8-0

B. Airport Terminal Contractor Award

City Manager Mackie stated the City was placed on a very tight design and bidding schedule by the Federal Aviation Administration (FAA) to receive the \$2.5M grant awarded to Hillsdale in February of this year. The terminal was designed around the building being a multi-purpose community space that will secondarily serve as an economic development tool to showcase the community. The City received four bids for terminal construction. The low bidder is Kalleward Group, LLC in the amount of \$2,972,478. The bids were reviewed by the City’s engineer RS&H and they recommend award to Kalleward. The City’s share of the full \$3.2M project is tentatively \$633,467. Staff believes this number can be negotiated down. The Airport Improvement Fund (AIFund) has an estimated \$635,000 in it as of June 30th. The AIFund has accumulated these funds, over 7 years, by increasing and saving fuel sales revenue and hangar rental fees and by instituting landing and other appropriate fees.

The Airport Advisory Committee met on July 8th to review the project. The Committee unanimously voted to recommend, to the City Council, moving forward with the project as presented.

Mike Rudzinski, RS&H Aviation Engineer, reported on the Airport Terminal project and grant requirements.

Council discussion on the City’s (Airport’s) cost share for the project.

Motion by Councilman Socha support by Councilmember Sharp to award the Airport Terminal build to Kalleward Group, LLC in the amount of \$2,972,478.00

Roll Call:

Council Member Wolfram	Aye
Mayor Stockford	Aye
Council Member Morrissey	Aye
Council Member Paladino	Aye
Council Member Pratt	Aye
Council Member Sharp	Aye
Council Member Socha	Aye
Council Member Stuchell	Aye

Motion passed 8-0

C BPU Industrial Substation Transformer Update

Jake Hammel, BPU Electric Director reported the electric department has recognized the need to upgrade the Industrial Substation. After consulting with SSOE and AMP engineers it has been determined that the best long term course of action is replace the transformer. The new unit will be built to match the impedance, voltage and LTC of the existing transformers at the power plant. This will allow us to extend the feeders to the Industrial sub and “hot switch” any of the feeders together or apart as needed. The transformer was bid as a 25MVA which is appropriate for the current system load. It was also bid as a 30 MVA which would allow for future growth. The transformer purchase and installation would be one of three parts to complete the upgrade for maximum reliability, protection, and redundancy. The remaining items are feeder breakers and feeder builds to

properly protect and connect the new transformer. The engineers estimate for the breaker build and associated costs is \$2,070,000 (includes 20% contingency). The feeder builds we believe we can handle a portion of with our own crews.

Motion by Councilman Morrissey, support by Councilwoman Pratt, to approve and award the purchase of the 30MVA transformer from OTC services Inc. in the amount of \$2,080,784 (\$1,891,622 + 10% contingency). This price also includes alternate 1, spare parts-\$8450 and alternate 2, 5 year warranty-\$0.

Roll Call:

Mayor Stockford	Aye
Council Member Morrissey	Aye
Council Member Paladino	Aye
Council Member Pratt	Aye
Council Member Sharp	Aye
Council Member Socha	Aye
Council Member Stuchell	Aye
Council Member Wolfram	Aye

Motion passed 8-0

D. 2023 Sidewalk Project – North and N. Wests Street

Kristin Bauer, City Engineer shared City staff developed and requested bids for completing sidewalk work around the intersections of N West Street at Westwood Street and North Street at West Street intersections. The purpose of the project is to remove the Americans with Disabilities Act (ADA) non-compliant stairs from the public right-of-way (ROW), reconstruction of sidewalk on the Hilltop Apartment frontage and upgrades to the sidewalk ramps at the aforementioned intersections to current ADA standards.

Bid were requested to be received on July 10, 2023. At bid time we received no bids for this project. We believe this to be due to current contractor workloads. After the bid deadline we were contacted by a local contractor who had been intending to bid but missed the deadline as they were otherwise occupied on an emergency project. We requested they submit their bid documents to the City for our review. Upon review of their pricing we found their bid to be within 5% of our Engineering Estimate.

Costs for this project will be shared by the City and the Hilltop Apartments. The Hilltop Apartment governing body has committed \$23,187.26 for their portion of this sidewalk work. The city will be covering the costs for ramp work at the intersections, removal of stairs within the ROW and construction of the new ADA compliant ramp at North at West Street.

One of the requirements of Act 51 of 1951, which established the Michigan Transportation Fund (MTF), is to utilize not less than 1% of the allocated MTF funds averaged over 10 years for “construction or improvement of nonmotorized services and facilities”. The city’s cost for this sidewalk project will be reported to the State of Michigan as part of our yearly ACT 51 Report.

Motion by Councilman Sharp, support by Councilman Morrissey Stuchell, to award this unit price project to Drymar, LLC of Hillsdale, MI in the estimated amount of \$69,800.00 with an additional contingency amount of \$5,200.00 for a total estimated project cost of \$75,000.00.

Roll Call:

Council Member Morrissey	Aye
Council Member Paladino	Aye
Council Member Pratt	Aye
Council Member Sharp	Aye
Council Member Socha	Aye
Council Member Stuchell	Aye
Council Member Wolfram	Aye
Mayor Stockford	Aye

Motion passed 8-0

E. Social District Local Government Approval (Keefer House Hotel LLC)

Sam Fry, Marketing Coordinator commented the City Council approved the establishment of a social district in Hillsdale on May 1, 2023. City staff have since been informed by the Michigan Liquor Control Commission (MLCC) that they have approved the district management and maintenance plan the City of Hillsdale filed, and the City can now begin installing signage. Qualified licensees may now apply to the MLCC for a Social District Permit. In order to do so, the qualified licensees are required to first obtain local government approval.

Keefer House Hotel, LLC (dba Dawn Theater) has submitted proof of liability insurance, as required, and now they need the Hillsdale City Council to adopt the attached resolution so they can apply to the MLCC for their Social District Permit.

Motion by Councilman Wolfram, support by Councilman Stuchell, to approve Keefer House Hotel, LLC (dba Dawn Theater) request for their Social District Permit. Resolution 3563.

By a voice vote, the motion passed unanimously.

F. Hendee FOIA Appeal Request

City Manager Mackie stated that the FOIA appeal was included in the council packet. The request was denied partially as the City does not have employment contracts, W-2s, or paystubs for the board as requested.

Mayor Stockford read a letter from Mr. Hendee aloud. Stockford stated he was inclined to waive the FOIA fees for Mr. Hendee as the request wasn't processed within time requirements.

Council Member Stuchell stated he was not in favor to waive fees as time was taken to process then request.

Further council discussion ensued.

Motion by Mayor Stockford, support by Councilmember Paladino, to grant appeal and waive the \$19 FOIA fees.

Roll Call:

Council Member Paladino	Aye
Council Member Pratt	Aye
Council Member Sharp	Nay
Council Member Socha	Nay
Council Member Stuchell	Nay
Council Member Wolfram	Aye
Mayor Stockford	Aye
Council Member Morrissey	Aye

Motion passed 5-3

G. Library Cleaning Contract

The City of Hillsdale currently holds a contract with East 2 West Enterprises, Inc. for the cleaning of City Hall and the Board of Public Utilities, dated April 26, 2019. To further enhance the maintenance and cleanliness of public facilities, it is being proposed to extend these cleaning services to include the Library. The proposed addendum outlines the provision of professional cleaning services to the Library, effective from August 1, 2023, until June 30, 2024.

The Library has been devoid of regular professional cleaning services for over a decade when internal staff took over the cleaning responsibilities. Considering the Library's role as a public building attracting 34,682 patrons and visitors from July 1, 2022 – June 30, 2023, ensuring a clean and sanitary environment becomes imperative.

Motion by Council Member Paladino, support by Council Member Pratt, to approve the addendum to the City cleaning contract to add the Library as presented from east 2 West Enterprises, Inc.

Roll Call:

Council Member Pratt	Aye
Council Member Sharp	Aye
Council Member Socha	Aye
Council Member Stuchell	Aye
Council Member Wolfram	Aye
Mayor Stockford	Aye
Council Member Morrissey	Aye
Council Member Paladino	Aye

Motion passed 8-0

Miscellaneous Reports

- A. Proclamations – None
- B. Appointments- Economic Development Corporation: Ken Joswiak, Nolan Sullivan, Gianna Green
Reappointment- Economic Development Corporation: John Condon

Motion by Councilman Socha, support by Council Member Pratt, to approve the appointments of Ken, Joswiak, Nolan Sullivan, Gianna Green and reappointment of John Condon to the Economic Development Corporation as presented.

By a voice vote, the motion passed unanimously.

- C. Other- None

General Public Comment

Missy DesJardin, commented on the homeless and Hillsdale Community Thrift. She also shared some successes with cleaning up blight around the City as well as helping some residents out.

Joseph Hendee, commented on the BPU board and payment. He shared about the Mayor and board member nepotism policy.

Jennifer Weil, 2635 Winona Dr., shared concern on the traffic at the Waterworks Park and Sandy Beach during night and early morning hours, suspected illegal business.

Jack McLain asked to have someone from City let him know if a zoning permit will be pulled for the Airport Terminal project.

City Manager’s Report

City Manager Mackie stated City will acquire all proper permits for the Airport project(s).

Mackie was reappointed to the MSCPA board as chairman.

Four way stop to be installed at Fayette Street and N. West Street intersection.

Fall leaf collection information will be presented at the next meeting.

Meijer Store site is progressing and moving right along, timeline to open is Spring 2024.

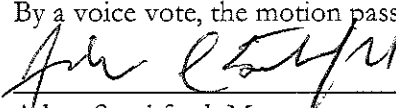
Council Comments

Council Member Socha stated the Keefer House Hotel building contractors had some difficulty in reconstruction some of the pillars and other items.

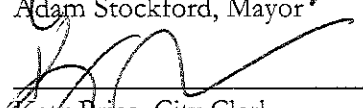
Adjournment

Motion by Council Member Sharp, seconded by Council Member Socha, to adjourn the meeting.

By a voice vote, the motion passed unanimously. The meeting adjourned at 9:25 p.m.



 Adam Stockford, Mayor



 Kary Price, City Clerk