

## CITY COUNCIL MINUTES

City of Hillsdale  
August 19, 2024  
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 Anthony Vear, Ward 1 R Greg Stuchell, Ward 1 William Morrissey, Ward 2 Cynthia Pratt, Ward 2 Bruce Sharp, Ward 3 Gary Wolfram, Ward 3 Joshua Paladino, Ward 4 Robert Socha, Ward 4
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Council Members absent:	None
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Also Present: David Mackie (City Manager), Tom Thompson (City Attorney), Katy Price (City Clerk), Jason Blake (DPS Director), Sam Fry (EDC Coordinator), Jake Hammel (BPU Electric Superintendent), Ginger Moore (Airport Manager), Scott Hephner (HCPD), Mark Hawkins (HCFD), Brandon Janes (I.T.), Scott Playford (BPU), Brian Bennett (BPU), Matt Hazelton, Tim Wells, Russ Miller, Mark Nicholas, Ted Jansen, Linda Aarbema, Shelly Hebert, Shannon Gainer, Andrew Gelzer, Nick Fox, Sheri Ingles, and Doug Ingles.

### Approval of Agenda

Motion by Councilman Socha, support by Councilman Vear, to add Communication Item C. Tents set up in Stock's Park.

All ayes. Motion carried.

Motion by Councilman Morrissey, support by Councilwoman Pratt, to approve the agenda as amended.

All ayes. Motion carried.

### Public Comment

Shelly Hebert, Hillsdale Community Thrift, commented on the Hillsdale College hotel agreement, affordable housing, homeless youth and spoke on Camp Hope.

Andrew Gelzer, Ward 4, commented on the Keefer House Hotel OPRA request. TIFA board toured the hotel site and approved the extension the promissory note to April 15, 2025.

Shannon Gainer, 134 S. Howell St., commented City Manager's report and order of agenda.

Jack McClain, Hillsdale Township, commented on OPRA transfer request and said it wasn't necessary from Assessor's understanding. McClain also commented on the Hillsdale College hotel agreement and vacation of streets.

**Consent Agenda**

- A. Approval of Bills
  - 1. City and BPU Claims of August 1, 2024: \$2,270,625.09
  - 2. Payroll of August 1, 2024: \$207,553.85
- B. City Council Minutes of August 5, 2024
- C. Finance Minutes of August 5, 2024
- D. Cemetery Minutes of August 7, 2024
- E. Community Development Minutes of August 7, 2024
- F. Park Use Agreement- Indiana Outboard Association
- G. BPU Automated Doors
- H. BPU VMI Contract Extension
- I. BPU Water Meter Order
- J. BPU Eaton C2SXD Electric Meter Purchase
- K. BPU DEED Grant/Text Message Notification System
- L. BPU WTP Hillsdale Service Pump 1 VFD

Motion by Councilman Morrissey, support by Councilman Vear, to approve the Consent Agenda.

All ayes. Motion carried.

**Communications/Petitions**

- A. Airport Operational Discussion
- B. Hillsdale County Commissioner Update – Doug Ingles
- C. Tents Set up at Stock’s Park

Ginger Moore, Airport Manager gave a report on the Airport operations and discussed fees and projects at the airport.

Commissioner Ingles, the next Commissioner meeting will discuss and authorize material management planning notice of intent, which allows county to write plan locally.

Council member Socha asked to bring the tents in Stock’s Park to Council’s and the City Police attention. The park gazebo is being utilized by tents and ask that police be mindful and check the park.

**Introduction and Adoption of Ordinances/Public Hearings**

**Old Business**

**New Business**

- A. Airport Asphalt Project

David Mackie, City Manager stated the Airport has in their 2024-25 budget repairing the asphalt parking lot between the existing terminal and the two corporate hangars. Three quotes were received for the work. After reviewing the quotes, staff is recommending RDK’s Asphalt & Sealcoating be awarded the work. RDK’s quote is using more asphalt for the work needed and they are a local contractor.

Motion by Councilman Sharp, support by Councilman Socha, to approve the contract to RDK’s Asphalt & Sealcoating in the amount of \$25,400.00.

Roll Call:

Councilwoman Pratt	Aye
Councilman Stuchell	Aye
Councilman Wolfram	Aye
Councilman Vear	Aye
Mayor Stockford	Aye
Councilman Socha	Aye
Councilman Paladino	Nay

Councilman Sharp	Aye
Councilman Morrisey	Aye

Motion passed 8-1

B. Dow Hotel Expansion/ Development Agreement

David Mackie reviewed the project information and the draft development agreement negotiated with Hillsdale College for the construction of a new 158 room hotel, conference center and dining facility north of their main campus. The project would require the vacation of a block of E. Galloway Drive and a small portion of Summit Street. In consideration of the vacation the City would receive \$300,000 paid in \$100,000 increments and a \$1,700,000 endowment setup at the Hillsdale Community Foundation for essential City services.

Hillsdale College Representatives reviewed the project, specific information and reporting of the impact study for the need of the hotel along with the need to vacate E. Galloway Drive and a portion of Summit Street for the project.

Lengthy council discussion ensued.

Motion by Councilman Vear, support by Councilman Sharp, to approve the Development Agreement for the Dow Hotel Expansion.

Roll Call:

Councilwoman Pratt	Aye
Councilman Stuchell	Aye
Councilman Wolfram	Recuse
Councilman Vear	Aye
Mayor Stockford	Aye
Councilman Socha	Aye
Councilman Paladino	Aye
Councilman Sharp	Aye
Councilman Morrisey	Aye

Motion passed 8-0 1- Recuse

C. Set Public Hearing For E. Galloway Drive and Summit Street Vacation Resolution

To allow for Hillsdale College’s construction of their new 158 room hotel, conference center and dining facility, north of their main campus, a portion of E. Galloway Drive and a small portion of Summit Street need to be vacated. The attached draft resolution and public hearing are part of the vacation process.

Motion by Councilman Socha, support by Councilman Vear, to set the Public Hearing for Tuesday, September 3, 2024 at 7:00 p.m. for the proposed vacation of E. Galloway Drive and portion of Summit Street.

By a voice vote, the motion passed unanimously.

D. Dial-A-Ride Transportation Advertising Policy

Sam Fry, Economic Development Coordinator reported city staff have been preparing to make available paid advertisement spaces on Dial-A-Ride Transportation’s bus fleet. This new bus advertising program is designed to help generate revenue for DART to offset a portion of DART’s operating costs. To facilitate this program, city staff and the city’s attorney produced the attached Dial-A-Ride Transportation Advertising Policy. This policy is intended to aid city staff in

implementing and administering the bus advertisement program, and sets standards for acceptable and unacceptable advertising content while mitigating the risk of litigation.

Motion by Councilman Socha, support by Councilman Morrissey, to approve the Dial-A-Ride Advertising Policy as presented.

By a voice vote, the motion passed unanimously.

E. OPRA Certificate Transfer

Sam Fry, Economic Development Coordinator stated on June 1, 2015, Hillsdale City Council adopted Resolution No. 3220 Approving Obsolete Property Rehabilitation Exemption Certificate Application for Creative Constructs, LLC Located at 42 Union Street, Hillsdale, Michigan. Subsequently, the State Tax Commission issued Obsolete Property Rehabilitation Exemption Certificate 3-15-0019 to Creative Constructs, Inc. for a period of 12 years, beginning December 31, 2015, and ending December 30, 2027. Ownership of the property at 42 Union Street was transferred from Creative Constructs, Inc., to 42 Hillsdale, LLC. Due to the change in ownership of the property for which the existing OPRA certificate was issued, STC requires the property's new owner, 42 Hillsdale, LLC, to submit a new application and Council must approve the certificate transfer by resolution.

Motion by Councilman Socha, support by Councilman Wolfram, to approve the OPRA transfer certificate 3-15-0019 to 42 Hillsdale, LLC. **Resolution# 3613.**

By a voice vote, the motion passed unanimously.

F. Keefer House Hotel, LLC OPRA Resolution Amendment Request

On April 1, 2019, the City of Hillsdale approved Resolution #3372, which granted Keefer House Hotel, LLC an Obsolete Property Rehabilitation Exemption Certificate for property located at 96, 100, 102, 104 N. Howell Street, Hillsdale, Michigan, for a period of 12 years beginning December 31, 2019, and ending December 30, 2032, pursuant to the provisions of Public Act 146 of 2000, as amended.

Resolution #3372 required that the rehabilitation of the facility shall be completed by December 30, 2021. Following the approval of Resolution #3372, the developer faced delays on the project due to the COVID-19 pandemic, labor and material shortages, cost increases, and major water/foundation issues.

Keefer House Hotel, LLC submitted the August 16, 2024 letter, requesting Hillsdale City Council amend the completion date listed in Resolution #3372 to December 31, 2024. OPRA's are approved at the local level but subject to State Tax Commission review. Updating the project completion date will ensure the State Tax Commission does not revoke the certificate while this project is still ongoing.

Nick Fox, Construction Manager stated work is being done, Council has had tours of hotel to see progress. There were unforeseen issues that were uncovered as hotel was in poor shape.

Council discussion ensued.

Motion by Councilman Stuchell, support by Councilman Socha, to approve the OPRA Resolution Amendment Request for Keefer House Hotel, LLC for December 31, 2024. **Resolution #3614.**

Roll Call:

Councilwoman Pratt	Nay
Councilman Stuchell	Aye
Councilman Wolfram	Ate
Councilman Vear	Aye
Mayor Stockford	Nay
Councilman Socha	Aye

Councilman Paladino	Aye
Councilman Sharp	Aye
Councilman Morrisey	Aye

Motion passed 7-2

G. 2024-27 IBEW Union Contract

8:55 p.m. Motion by Councilman Stuchell, support by Councilman Sharp, to go into closed session for the 2024-27 IBEW Union Contract.

Roll Call:

Councilwoman Pratt	Aye
Councilman Stuchell	Aye
Councilman Wolfram	Ate
Councilman Vear	Aye
Mayor Stockford	Aye
Councilman Socha	Aye
Councilman Paladino	Aye
Councilman Sharp	Aye
Councilman Morrisey	Aye

Motion passed 9-0

9:30 p.m. Back into open session.

The newly negotiated contract between the City of Hillsdale and the International Brotherhood of Electrical Workers Local 876 for the BPU Board's consideration. The contract is for three-years items to note in the contract include:

- Increase wages in Year 1 - 5%, Year 2 - 5% and year 3 - 4%
- On-call pay increased from 10 hours to 12 hours per week
- Annual sick leave payout percentage increased from 75% to 100%
- Added PTO payout language for hours above 80 hours used
- Increase employee contribution from 9.16% to 10.16% into the MERS pension plan
- Addition of Good Friday, Juneteenth and Employee's Birthday as holidays

Scott Playford, BPU Steward, commented that the BPU has a retention problem and reviewed a few items.

City Manager Mackie stated that Council asked to go back into negotiations on a few items.

No action taken on contract.

**Miscellaneous Reports**

- A. Proclamations – None
- B. Appointment- Economic Development Corporation – Clark Judge, Russell Richardson and Ken Joswiak as reappointment.

Motion by Councilman Socha, support by Councilwoman Pratt, to approve the appointments and reappointment as presented.

By a voice vote, the motion passed unanimously.

- C. Other- None

**General Public Comment**

Shannon Gainer, 134 S. Howell St., commented on the Dow hotel expansion agreement, airport, special assessments, and stated council wasn't doing a good job and expressed her displeasure. Gainer went over her time limit.

Jack McClain, Hillsdale Twp., comments on the taxes on 42 Union St. and the OPRA Certificate.

**City Manager Report**

W. St. Joe Street paving is completed 1400 tons finalized today and top coated. Restoration work will be started towards the end of the week.

**Council Comment**

Councilman Vear stated the time frame at public comment needs to be adhered to and stated that the comments made by Gainer wasn't correct facts and didn't appreciate her berating council.

Mayor Stockford stated he apologized and will adhere to the three minutes, spoke on time clock for residents and the public.

Councilman Sharp stated Council is sometimes belittled and it's a thankless job at times. Take it with a grain of salt.

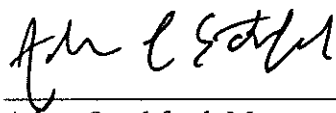
Mayor Stockford stated Hillsdale Community Thrift is not renewing lease and Camp Hope will not be set up at the property and will be closed. There is around 30 homeless people. The City will have to keep that in mind.

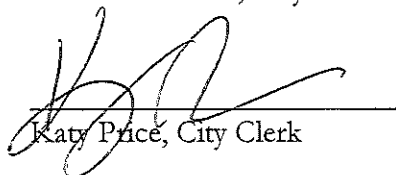
**Adjournment**

Motion by Councilmember Sharp, seconded by Councilmember Socha to adjourn the meeting.

By a voice vote, the motion passed unanimously.

The meeting adjourned at 9:55 p.m.

  
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Adam Stockford, Mayor

  
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Katy Price, City Clerk