

CITY COUNCIL MINUTES

City of Hillsdale

July 15, 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 Cynthia Pratt, Ward 2 William Morrissey, Ward 2 Bruce Sharp, Ward 3 Gary Wolfram, Ward 3 Joshua Paladino, Ward 4
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Council Members absent:	Robert Socha, Ward 4
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Also Present: Tom Thompson (City Attorney), Katy Price (City Clerk), Jason Blake (DPS Director), Sam Fry (EDC Coordinator), Scott Hephner (HCPD), Dan Poole (HCFD), Brandon Janes (I.T.), Drew Homovec, Ted Jansen, Mark Nichols, Dennis Wainscott, Nick Fox, Jessica Miller, Russell Miller, CJ Toncray, Scott Session, Robert Eichler and Marty Hubbard.

Approval of Agenda

Motion by Councilman Morrissey, support by Councilman Vear, to approve the agenda as presented.

All ayes. Motion carried.

Public Comment

None

Consent Agenda

- A. Approval of Bills
 - 1. City and BPU Claims of June 13, 2024 - \$1,188,344.47
June 27, 2024- \$984,674.00
 - 2. Payroll of June 20, 2024 - \$193,046.44
July 3, 2024 - \$196,861.26
- B. City Council Minutes of June 17, 2024
- C. Finance Minutes of June 17, 2024 & July 1, 2024
- D. Public Services Minutes of May 14, 2024 & June 25, 2024
- E. Election Commission Minutes of July 10, 2024
- F. Hillsdale College Fireworks Display Approval
- G. Hillsdale College Annual Noise Variance Requests
- H. Ratification of Signatures for Park Use Agreement for Domestic Harmony

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

Roll Call:

Councilman Paladino	Aye
Councilman Wolfram	Aye
Councilman Sharp	Aye

Councilwoman Pratt	Aye
Councilman Stuchell	Aye
Councilman Vear	Aye
Mayor Stockford	Aye
Councilman Morrissey	Aye

Motion passed 8-0

Communications/Petitions

- A. 2024 Summer Tax Warrant
- B. Keefer House Hotel, Construction Update
- C. Hillsdale County Commissioner Update – Doug Ingles
- D. MERS Annual Actuarial Report

Nick Fox, gave a brief update on the Keefer House Hotel Construction.

Commissioner Ingles, wasn't in attendance but had communication with the Mayor about election material and days and times of Early Voting, Election day voting and stated the information can be found on the County's website.

Clerk Price stated that the same information can be found on the City's website under the Clerk/Voting Information tab.

Introduction and Adoption of Ordinances/Public Hearings

Public Hearing: Revoke IFE Certificate 2017-181 Corecoyle Composites LLC

Sam Fry, EDC Coordinator reported IFE certificates provide a tax incentive to manufacturers to enable the renovation of existing facilities to prepare them for occupancy by the certificate holder for manufacturing operations. The rehabilitation project described in Mr. Homovec's IFE Application called for the investment of \$1,093,907 into the property with a project completion date of Dec. 15, 2020. In the Property Tax Abatement Exemption Certificate 2023 Annual Information Report that Mr. Homovec submitted to City Assessor Kim Thomas, dated Jan. 26, 2024, he twice claims that the rehabilitation investment by Corecoyle Composites, LLC, and the building owner "has exceeded the \$1,093,907 'Project Cost' proposed in 2017 by \$37,278." According to Mr. Homovec, as of Dec. 31, 2023, the restoration investment in 221 Industrial Drive totals \$1,131,185. However, Mr. Homovec has not filed notification of the completion of the project and final cost with the city assessor, nor has he provided any receipts or documentation showing actual expenditures to date for restoration of the facility as described in the application. Furthermore, Corecoyle Composites, LLC, was to have created 12-25 jobs within two years of the rehabilitation completion (no later than Dec. 15, 2022). City staff have not been provided with payroll receipts or other documentation showing Corecoyle Composites, LLC, has created any manufacturing jobs due to the rehabilitation of the 221 Industrial Drive facility.

Mayor opened podium at 7:12 p.m.

Mr. Homovec, owner state that he was disappointed that Council canceled the tour of facility. He discussed the non-disclosure agreement he wanted signed by all that entered due to important manufacturing processes.

Further discussion ensued on the non-disclosure agreement and communication from the City Manager, City Attorney and Mr. Homovec.

Mr. Homovec stated City management is misinterpreting the dialog of the IFE and process.

Councilman Wolfram state there were items out of Mr. Homovec's control.

Councilman Sharp mentioned he was fed up with all the excuses given.

Lengthy discussion followed.

Mayor closed opened podium at 7:52 p.m.

Motion by Councilman Sharp, support by Councilwoman Pratt to revoke IFE Certificate 2017-181 Corecoyle Composites LLC.

Roll Call:

Councilwoman Pratt	Aye
Councilman Sharp	Aye
Councilman Stuchell	Aye
Councilman Wolfram	Nay
Councilman Vear	Aye
Mayor Stockford	Aye
Councilman Morrissey	Aye
Councilman Paladino	Aye

Motion passed 7-1

Old Business

None

New Business

A. 2024-27 POAM Union Contract

Scott Hephner, PD Chief stated the newly negotiated contract between the City of Hillsdale and the Police Officers Association of Michigan is for three-years with changes tracked in red.

Motion by Councilman Sharp, support by Councilman Vear to approve the 2024-27 POAM Union Contract as presented.

Roll Call:

Councilwoman Pratt	Aye
Councilman Sharp	Aye
Councilman Stuchell	Aye
Councilman Wolfram	Aye
Councilman Vear	Aye
Mayor Stockford	Aye
Councilman Morrissey	Aye
Councilman Paladino	Aye

Motion passed 8-0

B. 2024-27 IAFF Union Contract

Scott Hephner, FD Chief stated the newly negotiated contract between the City of Hillsdale and the Police Officers Association of Michigan is for three-years with changes tracked in red.

Motion by Councilman Sharp, support by Councilwoman Pratt, to approve the 2024-27 IAFF Union Contract as presented.

Roll Call:

Councilwoman Pratt	Aye
Councilman Sharp	Aye
Councilman Stuchell	Aye
Councilman Wolfram	Aye
Councilman Vear	Aye
Mayor Stockford	Aye

Councilman Morrissey	Aye
Councilman Paladino	Aye

Motion passed 8-0

All ayes. Motion carried.

C. MERS Define Benefit Contribution

Laura Sargent, HR Director, reported As part of our union negotiations with the Police and Fire unions they have agreed to increase their employee contribution rate from 5% to 6% starting July 1st. Management is also recommending that the non-union staff increase their employee contribution rate from 5% to 6%. The following divisions are included in this amendment: Police division 2, Fire division 3, General Non-Union division 13 and BPU Non-Union division 14. These divisions are all funded below 100% and the additional contributions with help improve their funded levels.

Motion by Councilman Sharp, support by Councilman Morrissey, to approve the MERS Define Benefit Contribution agreement.

Roll Call:

Councilwoman Pratt	Aye
Councilman Sharp	Aye
Councilman Stuchell	Aye
Councilman Wolfram	Aye
Councilman Vear	Aye
Mayor Stockford	Aye
Councilman Morrissey	Aye
Councilman Paladino	Aye

Motion passed 8-0

D. Fee Schedule Resolution Effective July 1, 2024

Michelle Loren, Recreation Director reported during the fiscal year 2025 budget process, staff identified updates to the fee schedule that needed to be increased based on review of costs as well as a review of the demand and market pricing. The increase in fees relate to dock rentals, Owen Park and Mrs. Stock's Park pavilion rentals and Sandy Beach admissions and adding a fee for property information reports.

Council discussion ensued on beach fee increase.

Motion by Councilman Sharp, support by Councilman Vear to approve the Fee Schedule as presented. **Resolution #3609.**

All ayes. Motion carried.

E. MDOT Contract 2024-5188

Jason Blake, DPS Director, started due to various incidents with the low clearance of the railroad bridge on W. Hallett St., the City and MDOT, has determined it to be in the public interest to upgrade the current "low clearance" signs on both the east and west side of the railroad bridge with solar LED flashing warning signs. LED warning signs will flash 24 hours a day, 7 days a week in efforts to add extra emphasis of the low clearance of the railroad bridge. MDOT has prepared and submitted a maintenance contract with the City (Contract 24-5188) for review, with the contract, MDOT has agreed to purchase both 48" LED signs with the City

providing installation for both signs in addition to any future maintenance that the signs may need (city currently performs all maintenance of existing warning signs).

Motion by Councilman Sharp, support by Councilwoman Pratt to approve the MDOT Contract 2024-5188 as presented. **Resolution #3610.**

All ayes. Motion carried.

F. Proposal to Purchase City Property – 49 Union St.

49 Union Street is a vacant lot encumbered by a restrictive covenant recorded in 2009 by the Michigan Department of Environmental Quality (MDEQ now known as Environment, Great Lakes, and Energy or EGLE), and is located in a flood plain. The building(s) formerly occupying the lot were demolished in 2006. The City acquired the property in 2011 for \$1 from Landex, Inc. (formerly Alsons Corporation) as part of a settlement when that company moved operations out of the City, defaulting on their obligations under an IFT agreement.

The property is adjacent to the Headwaters trail and currently exempt from property taxes under MCL 211.7m, property owned by a county, township, city, village, or school district used for public purpose (open space available for future development). City staff and others have made efforts to develop the property as a basketball court, a seasonal ice skating rink, or a parking lot, but none of those plans have aroused enough enthusiasm from stakeholders to move forward.

The owner of an adjacent property has now submitted an unsolicited proposal to purchase the property for future development.

Motion by Councilman Vear, support by Councilman Sharp to approve the sale of 49 Union St. as presented.

Roll Call:

Councilwoman Pratt	Aye
Councilman Sharp	Aye
Councilman Stuchell	Aye
Councilman Wolfram	Aye
Councilman Vear	Aye
Mayor Stockford	Aye
Councilman Morrissey	Aye
Councilman Paladino	Aye

Motion passed 8-0

G. Noise Variance Request – Iron Invasion Demolition Derby

A noise variance request was made from Loudmouth Promotions for their Iron Invasion Demolition Derby to be held at the Fairgrounds on May 31, 2025 and June 1, 2025.

Motion by Councilman Sharp, support by Councilwoman Pratt to approve the noise variance request for Iron Invasion Demolition Derby as presented.

All ayes. Motion carried.

H. Homeless Taskforce Recommendation Follow-up

Police Chief Hephner reported on the homeless population and the alleged drug houses in the area.

No action taken.

Miscellaneous Reports

A. Proclamations – None

B. Appointment- None

C. Other- None

General Public Comment

Dennis Wainscott, 34 Garden St., commented on the fee increase for Sandy Beach entry.

Russell Miller, 9 Lake St., commented on the street project on Willow St. Miller submitted pictures of project and stated that a part of his half circle drive was going to be torn up to put in curb and other items required from the project. He asked Council to take a look at project site and his driveway.

Robert Eichler, Scipio Township, commented on the jail, arrests and millages.

Scott Sessions, 102 Cold Springs Circle, commented on the Mayor's article in the Hillsdale Collegian.

Ted Jansen, 104 Hillsdale St., thanked the Police Chief on all the work he does. He also spoke on the street project on Willow St and Miller's situation.

City Manager Report

None.

Council Comment

Councilman Wolfram reported that the City Airport was run very well from an airport user.

Councilman Sharp thanked Clerk Price on her integrity and how she follows all the proper election procedures.

Councilman Morrisey had a request to find out how much money city residents pay to the state and federal government.

Mayor Stockford stated that the event River Raisin Ragtime Revue will be at the Dawn Theater on July 20, 2024.

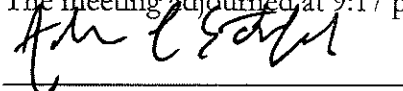
Councilman Paladino commented on the Special Assessment process and law and order.

Adjournment

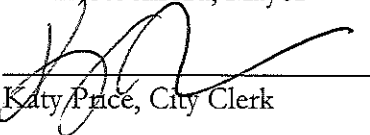
Motion by Councilmember Sharp, seconded by Councilmember Morrisey to adjourn the meeting.

By a voice vote, the motion passed unanimously.

The meeting adjourned at 9:17 p.m.



Adam Stockford, Mayor



Katy Price, City Clerk