

The Council for the Village of Hillman met in regular session on Tuesday, February 6, 2024, at 6 p.m. in the evening in the east-end conference room of the Hillman Community Center at 24220 Veterans Memorial Highway, Hillman, MI 49746. Present: President Dave Hornbacher. Trustees: Stephen Orlandi, Thomas Bouchey, Johnathon Smith, Velma Brown. Employees: Dave Post, Jan McMurray, Brenda South. Visitors: Daniel Florip, Ken Dragiewicz, Alpena Power, Julie Lowe, EGLE, Judy Nichols, Brush Creek Mill, Jack Matthias, Habitat for Humanity, Deputy from Montmorency County Sheriff Department.

The meeting opened with the pledge of allegiance and was called to order at 6 p.m. by President Hornbacher.

A motion was made by President Hornbacher and supported by Trustee Smith to approve the agenda with the addition of the Pine Street Property Clean-up Bids. All in favor. Motion carried.

A motion was made by Trustee Orlandi and supported by Trustee Brown to approve the minutes of the January 16, 2024, Council meeting as written. Yeas: Orlandi, Bouchey, Smith, Brown. Nays: None, Abstain: Hornbacher. Motion carried.

A motion was made by Trustee Bouchey and supported by Trustee Smith to pay the bills and additional bills with checks numbered 36540 through 36565. Yeas: Orlandi, Bouchey, Smith, Brown. Nays: None, Abstain: Hornbacher. Motion carried.

The Deputy from the Sheriff Department addressed the Council stating that they are increasing their patrol in the Village and surrounding area and writing traffic citations. The Council thanked the Deputy for coming and reporting to them and wished him safety.

Daniel Florip, the attorney representing Alpena Power, addressed the Council regarding the renewal of their franchise. The current franchise expires in March of this year. The existing franchise was for 10 years, the company would like to expand this to a 30-year franchise, it is revocable by the Village of Hillman Council until it is put before the electors of the Village. This will be done (if approved) at the November 2024 election by a 3/5 vote of the electors. It will then be irrevocable for the 30-year period. Alpena Power would like the 30 year/irrevocable as it is an investment for the Company to upgrade equipment, so they want a long-term commitment. **Mr. Ken Dragiewicz**, President of Alpena

Power, thanked the Village Council for their long-time partnership with Alpena Power and explained that the 30-year irrevocable franchise was needed for their long-term planning. There was a question about other electric providers in the Village. **Daniel Florip** stated that this would not affect other providers who operate in the Village and would not affect rates.

A motion was made by President Hornbacher and supported by Trustee Smith to adopt Ordinance 2024-01 granting Alpena Power Company a 30-year Franchise: the right to the use of the highways, streets, alleys, and other public ways in the Village of Hillman to construct, operate, maintain, and commercially use electric lines consisting of towers, masts, poles, crossarms, guys, braces, wires, transformers, and other electrical appliances. All in favor. Motion carried.

Trustee Brown questioned whether Alpena Power would keep power lines underground. It was explained that all power lines on State Street were removed during the streetscape renovations in 2010. Manager Dave Post requested that the Council waive reading of the ordinance.

A motion was made by President Hornbacher and supported by Trustee Smith to rescind the motion of adoption of Ordinance 2024-01. All in favor. Motion carried.

A motion was made by President Hornbacher and supported by Trustee Orlandi to waive reading of Ordinance 2024-01. All in favor. Motion carried.

A motion was made by President Hornbacher and supported by Trustee Orlandi to adopt Ordinance 2024-01 granting Alpena Power Company a 30-year Franchise: the right to the use of the highways, streets, alleys, and other public ways in the Village of Hillman to construct, operate, maintain, and commercially use electric lines consisting of towers, masts, poles, crossarms, guys, braces, wires, transformers, and other electrical appliances. All in favor. Motion carried.

(Ordinance 2024-01 will be printed at the end of the minutes)

Manager Dave Post read Resolution 2024-02 aloud for the Council.

A motion was made by Trustee Orlandi and supported by Trustee Brown to adopt Resolution 2024-02 Alpena Power Franchise. All in favor. Motion carried.

**VILLAGE OF HILLMAN
RESOLUTION NO. 2024-02**

SUBJECT: Alpena Power Company Franchise

PRESENT: Council Members Stephen Orlandi, Thomas Bouchey, Johnathon Smith, Velma Brown and President Dave Hornbacher.

ABSENT: Council Members none

At a regular meeting held on the 6th day of February, 2024, at the Village of Hillman offices.

The following preamble and resolution were offered by Council Member Stephen Orlandi and seconded by Council Member Velma Brown.

WHEREAS, the Village of Hillman Council has on the 6th day of February, 2024, adopted an ordinance entitled as follows:

AN ORDINANCE granting to ALPENA POWER COMPANY the right To the use of the highways, streets, alleys, and other public ways in the Village of Hillman to construct, operate, maintain, and commercially Use electric lines consisting of towers, masts, poles, crossarms, guys, Braces, wires, transformers, and other electrical appliances.

At the request of Alpena Power Company; and

WHEREAS, Alpena Power Company has requested that the Village Council submit to the electors in the Village of Hillman a proposition during the November 5, 2024 general election, seeking the confirmation of the grant of franchise; and

WHEREAS, the above-described ordinance provides that if the proposition is approved by three fifths (3/5) of the electors voting thereon, the franchise shall be irrevocable during the thirty-year term of the franchise; and that, if the proposition is not approved by three fifths (3/5) of the electors voting thereon, the franchise shall remain valid and in effect as provided in the grant of franchise, but the franchise shall be revocable by and at the pleasure of the Village Council;

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

That the action of the Village of Hillman Council in granting the franchise to Alpena Power Company be submitted to the electors of the Village of Hillman for confirmation at the Village general election on November 5, 2024. If the proposition is approved by three fifths (3/5) of the electors voting thereon, the franchise shall be irrevocable during the thirty-year term (February 6, 2024 to February 6, 2054) of the franchise. If the proposition is not approved by three fifths (3/5) of the electors voting thereon, the franchise shall remain valid and in effect as provided in the grant of franchise, but the franchise shall be revocable by and at the pleasure of the Village Council.

That, following the receipt by the Village Clerk of Alpena Power Company's written acceptance of the franchise, the Village Clerk is authorized and directed to take such action so as to place said question of confirmation of the irrevocable nature of the franchise before the electorate of the Village of Hillman at the Village general election on November 5, 2024.

AYES: Council Members Stephen Orlandi, Thomas Bouchey, Johnathon Smith, Velma Brown and President Dave Hornbacher.

NAYS: Council Members None

RESOLUTION DECLARED ADOPTED.

Certification

I hereby certify that the foregoing resolution was adopted by the Village of Hillman Council at a duly scheduled regular meeting held on the 6th day of February, 2024.

DATED: February 6, 2024

BRENDA SOUTH
Village of Hillman Clerk

Manager Dave Post reported that there had been a application for a HELP Loan for an individual interested in purchasing the Hillman Laundromat, the loan is for \$60,000. The HELP committee met with the individual and discussed terms of the loan. The individual is asking for a 5.27% interest rate which is way below prime of 8% currently. The HELP committee suggested a 20-year amortization with a 7-

year balloon payment but left the decision of the interest rate to the Village Council. After some discussion it was decided to offer the \$60,000 loan with the terms of a 20-year amortization, a balloon at 7 years for 5.27% interest rate and a personal guarantee with mortgage title insurance.

A motion was made by President Hornbacher and supported by Trustee Bouchey to offer a HELP Loan for purchase of the Hillman Laundromat for \$60,000 with the terms of a 20-year amortization, a balloon at 7-years for 5.27% interest rate and a personal guarantee with mortgage title insurance. All in favor. Motion carried.

Julie Lowe (EGLE) addressed the Council regarding a Brownfield Redevelopment Grant and Loan Proposal being offered through EGLE. There is a person interested in purchasing the property at 300 State Street (formerly the Sportsmen' Center) which is a contaminated site. The property qualifies for this type of development/clean-up through the grant funding program. This interested person would like to tear down the building and rebuild a bakery and coffee shop. The Village of Hillman would have to apply for the funding to do the tear down, clean-up of contamination, and disposal of material, phase 1 & 2. NEMCOG will coordinate the project, but the grants are dispersed through a governmental agency. Several Council members asked about liability and match funding. The grant is 100% funded so there is no match required and there would be no liability for the Village of Hillman. The Council discussed this and decided it would be a great benefit for the Community.

A motion was made by Trustee Orlandi and supported by Trustee Brown to move forward with the Brownfield Redevelopment Grant and Loan Proposal through EGLE. All in favor. Motion carried.

President Hornbacher brought the issue of the Brush Creek Mill maintenance proposal included in the agenda. There was a question on the labor costs for Keith Banks, Judy Nichols said that most of the labor would be done by volunteers. The issue was tabled until more information is provided, and a firm number is known for the project, this will be provided at the next budget meeting on February 20th. The next issue was bids for the State Land Bank Blight Removal project on Pine Street. There were 5 bids: \$34,900 MacArthur, \$48,200 Elmers, \$56,400 Leavesly, \$58,261.60 Bedrock, \$73,818.00 Meridian. After some discussion it was decided to accept the lowest bid from MacArthur for \$34,900 making sure they have their environmental certifications.

A motion was made by Trustee Bouchey and supported by Trustee Brown to accept the bid from MacArthur for \$34,900 for demolition of the blighted buildings on Pine Street. All in favor. Motion carried.

Manager Dave Post brought the issue of the Drinking Water State Revolving Fund Document Planning Grant through EGLE for \$50,000, this is a non-matching grant. Dave suggested that the Village have Huron Engineering apply for this grant for the Village.

A motion was made by Trustee Smith and supported by Trustee Brown to have Huron Engineering apply for the Drinking water State Revolving Fund Document Planning Grant for the Village of Hillman for \$50,000. All in favor. Motion carried.

Manager Dave Post reported that well house #9 needs a new roof according to DPW Supervisor John Burr. A quote from John Schultze Construction was \$1500 to \$1600. Trustee Johnathon Smith will go look at the pumphouse, President Hornbacher tabled this until an assessment is done. The next issue was a request from Huntington Bank to remove some of the Village sidewalk bordering their parking lot for some improvements, Manager Dave Post requested they send some more defined plans before a decision can be made.

Jack Matthias addressed the Council on behalf of Habitat for Humanity who are interested in the 19 ½ acres bordering Orchard Pines Subdivision. Habitat would like to see this developed into housing. Originally this was the site MARCH (Montmorency Area Rural Commission on Housing) planned for phase #2 a second subdivision. Cost estimates from Elmers for developing infrastructure came in at \$2 million, or approximately \$35,000 per 56 lots. This is out of reach for Habitat without State of Michigan Housing Grants. Jack went on to say that he believed it would be more beneficial for them to continue purchasing lots within the Village and build on them since the utilities are available. \$35,000 per lot and the cost of building a house may make most of the homes out of reach for most families if they decide to develop the second phase of Orchard Pines. Huron Engineering submitted a bid for environmental and platting of the parcel, that came in at \$49,000. **Manager Dave Post** stated that if Habitat did go ahead with the project as the developer the Village of Hillman would approve the plat and assume responsibility of the water/sewer and streets. Habitat would like to know what the Council's feelings are on going ahead with the housing issue. **President Dave Hornbacher** stated that housing is an issue however, the Village would not want to be "landlords" or a developer. **Manager Dave Post** said it is more beneficial for

the Village to continue acquiring single lots and blighted properties to redevelop. **President Hornbacher** said that as Habitat ramps up their building of homes the Village can scale back their involvement.

Manager Dave Post presented the Alternate Use Agreement for the Hillman Airport Hangar Lease holders. The original lease agreement does not allow hangars to be leased out to others. There is a gentleman who wants to build a hangar to lease out to another person. **A motion was made by President Hornbacher and supported by Trustee Bouchey to accept the addition of the Hillman Airport Alternate Use Agreement to adjust Section 5, subsection B which allows for any commercial operations to be agreed upon in a separate contract on a case by case basis. All in favor. Motion carried.**

Secretary/Bookkeeper Jan McMurray reported the garland that is wrapped around the light poles for Christmas has worn out and she would like to purchase new garland, Hillman Township has agreed to split the cost, the cost is \$2310 which would be about \$1155 each. **A motion was made by President Hornbacher and supported by Trustee Smith to purchase new garland for the light poles for \$2310 splitting the cost with Hillman Township at a cost of \$1155 each. All in favor. Motion carried.**

Trustee Velma Brown reported that Airport Manager Mark Melligen would like a copy of the Airport Alternate Use Agreement. Maintenance on the terminal building has been done, a door knob was replaced, a light fixture in the hallway was replaced. The DNR has been using the airport daily for the last 2 weeks.

Trustee Johnathon Smith reminded the Council that park rates were supposed to be reviewed and increased this year. This will be done at the next budget meeting.

Trustee Velma Brown reported for the Hillman Area Fire and Ambulance Board. There was 1 structure fire, 2 chimney fires, melting ice from the building broke the gas meter, a cover was built to protect it. Hopefully the new fire truck will be here by the Firemens Ball. There were 17 ALS, 55 runs for this year, and a small accident with an ambulance.

President Hornbacher reported a streetlight out south of the Emerick Park entrance.

Judy Nichols reported that maintenance on the bathrooms in the Brush Creek Mill may be done by March 1st. **President Hornbacher** said that the new roof and maintenance on the mill will be discussed at the February 20th budget meeting.

A motion was made by Trustee Smith and supported by Trustee Orlandi to adjourn the meeting. All in favor. Motion carried. The meeting adjourned at 7:42 p.m.

Dave Hornbacher, President

Brenda South, Clerk/Treasurer

(Ordinance 2024-01)