

**Harbor Springs City Council**  
**March 2, 2009**

Mayor Dika called the twelfth meeting of the Harbor Springs City Council to order at 7:00 p.m., in the City Council Chambers at 160 Zoll Street, Harbor Springs, Michigan.

1. Roll Call and Verification of Quorum

Present: Alan Dika, Michael K. Heinz, Laura Kors and Pringle Pfeifer

Absent: Alan Hegedus

Also Present: City Attorney James T. Ramer, Police Chief Daniel J. Branson, DPW Superintendent Joel Clark, Electric Distribution Superintendent Dennis Kruzel, City Assessor / Zoning Administrator C. Tim Grimm and City Clerk Ronald B. McRae

2. City Clerk / Comptroller / Treasurer

A. Approval of Minutes

It was noted that in the February 16, 2009 regular meeting minutes on Page 3, Item 6, first paragraph, first sentence reads, "...Zero Turn Radius Mower". It should read "...Zero Turn Mower".

#7544 – Motion by Pfeifer, second by Heinz, to approve the February 16, 2009 regular City Council meeting minutes as amended.

Ayes – 4

Nays – 0

It was noted that in the February 26, 2009 special meeting minutes on Page 1, in the Call to Order, first sentence reads, "...selection process or to approve a conditional offer..." It should read "...selection process and or consideration of a conditional offer..." On Page 1, Item 2, second paragraph, the third line reads, "recommends". It should read, "recommended".

#7545 – Motion by Pfeifer, second by Heinz, to approve the February 26, 2009 special City Council meeting minutes as amended.

Ayes – 4

Nays – 0

B. Approval of Bills

I have examined the bills appearing on the vouchers below and recommend they be allowed and payment be made from the following funds:

Voucher Number	Description	Fund Name	Amount
7533	Payroll Ending 2/15/09	General Fund	\$28,148.07
		Major St. Fund	2,024.17
		Local St. Fund	1,742.60
		Historical Fund	443.60
		Electric Fund	9,942.77
		Water & Sewer Fund	4,588.63
		Waterfront Fund	169.98
		Equipment Fund	3,279.35

7534	Accounts Payable - Council 2/16/09	General Fund	\$86,609.92
		Major St. Fund	1,202.16
		Local St. Fund	3,494.54
		Historical Fund	1,910.94
		Electric Fund	197,038.24
		Water & Sewer Fund	135,936.73
		Waterfront Fund	7,129.38
		Equipment Fund	33,518.60

#7546 – Motion by Heinz, second by Hegedus, to approve the bills in the amount of \$517,179.68.

Ayes – 4  
 Nays – 0

THEREFORE, BE IT RESOLVED that claims on voucher numbers 7533 and 7534 checked by the Finance Committee, in the amount of \$517,179.68 be allowed for payment, and the City Manager and the Mayor are hereby authorized to execute warrants to be drawn on the following funds:

General Fund	\$114,757.99
Major Streets Fund	3,226.33
Local Streets Fund	5,237.14
Police Reserve	0.00
Historical Fund	2,354.54
Electric Fund	206,981.01
Water & Sewer Fund	140,525.36
West Traverse Water Fund	0.00
Waterfront Fund	7,299.36
Equipment Fund	36,797.95
Trust Fund	0.00
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Total	\$517,179.68
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3. Citizen Comments

Mayor Dika had Nick Moore, Jean Forton, Catlin Widlow and Tate Moyer introduce themselves. They attended tonight’s meeting as a class requirement.

4. Proposed Pennsylvania Street Project Phases I and II

City Clerk McRae stated that City Manager Geuder had written a memorandum concerning the need for doing the Proposed Pennsylvania Street Project (the “Project”). Due to the time constraints, Manager Geuder stated in his memo that the Project should be split into Phase I and Phase II. Clerk McRae explained that a sidewalk construction project is part of the Project and is proposed to be done as part of Phase II. The installation of the proposed water main and the reconstruction of Pennsylvania Street would be Phase I and would be done during the spring. Completion would be by July 4, 2009. Phase II would be the replacement of the water main and sewer main on Artesian Street and the reconstruction of Artesian Street and the construction of the proposed sidewalk on Pennsylvania Street. Phase II would be completed after Labor Day.

Clerk McRae stated that Joe O'Neill, Benchmark Engineering, Joel Clerk, DPW Superintendent, Shirley Snyder and Mary Driggs from the Wequetonsing Landowners Association (the "Association"), and he met concerning the proposed sidewalk project. O'Neill presented the proposed sidewalk project to Snyder and Driggs. O'Neill stressed that the right-of-way for Pennsylvania Street was not wide enough for a sidewalk and easements would be necessary. He addressed their other concerns. O'Neill stated that usually when dealing with an association, it was better for the association to get the easements rather than the City. Snyder and Driggs appeared to be happy with the proposed improvements and stated that they would go back to the Association to explain the need for their cooperation. They did note that Tim Brown was not a member of the Association. Clerk McRae stated that the City would contact Mr. Brown.

O'Neill reviewed the plans for the Project and explained Phases I and II. He addressed Council member questions and concerns.

After the discussion, the following motion was offered:

#7547 – Motion by Kors, second by Heinz, to authorize Benchmark Engineering to prepare the bid documents and set a bid date opening for Phase I of the Pennsylvania Street Project as presented. Further, to authorize Benchmark Engineering to provide drawings and plans for the Pennsylvania Street Project and Sidewalk Project to assist the Wequetonsing Landowners' Association in getting easements from their membership.

Ayes - Heinz, Kors, Pfeifer and Dika  
Nays - None  
Absent - Hegedus

##### 5. Purchase of Safety Clothing

City Clerk McRae stated that City Electric Department Employees must wear clothing to protect them from "electric arc flashes". The purpose of the clothing is to keep Employees from being burned or electrocuted. Electric Department Superintendent Kruzel stated that the National Electric Safety Code (NESC) has established a requirement for the flame retardant clothing while working on energized electrical equipment, which became effective January 1, 2009.

Kruzel explained the City's level of hazard determined by GRP Engineering is "1", the lowest level. Kruzel reviewed the articles of clothing he wanted to purchase. The total cost would be approximately \$556 per employee. The total expenditure would be \$2,780 for five employees.

Council discussed this issue with Kruzel and McRae. After the discussion, the following motion was offered:

#7548 – Motion by Pfeifer, second by Kors, to approve the purchase of the flame retardant clothing to meet the "Hazard Risk Category" of "1", at a cost not to exceed \$2,780 for five Electric Department employees.

Ayes - Kors, Pfeifer, Dika and Heinz  
Nays - None  
Absent - Hegedus

6. Board of Review Hardship Requests and Poverty Guidelines

City Clerk McRae stated that the City Assessor Tim Grimm and the Board of Review had been discussing the current Poverty Guidelines from the Federal Government and considering if those household poverty levels should be increased. They are recommending that City Council approve a 20% increase in the poverty guidelines household incomes for property tax payers.

City Assessor Grimm discussed this issue with city Council. Grimm stated that anyone requesting the hardship exemption must do so annually. After addressing the concerns and questions from Council members, the following motion was offered:

#7549 – Motion by Kors, second by Heinz, to approve the increase in the poverty guidelines household income levels by 20%, as presented by the City Assessor.

Ayes – 5  
Nays – 0

7. Renewable Portfolio Standard Agreement

City Clerk McRae stated that the Michigan Public Power Agency (MPPA) is working on the “Renewable Energy Plan” for the City of Harbor Springs and many other municipalities. This group of municipalities makes up the “Renewable Portfolio Standard Service Committee”. The Michigan Public Service Commission (MPSC) has issued a temporary order requiring all electric systems to furnish a “Renewable Energy Plan” to meet its Renewable Portfolio Standards (RPS). To satisfy this requirement, the MPPA is putting together the “Renewable Energy Plan” according to the guidelines of the MPSC, because they have the experience to do so. The MPPA estimates that the City of Harbor Springs’ costs will be approximately \$3,000. Clerk McRae stated that to continue to participate in the “Renewable Portfolio Standard Service Committee” the City Council would need to approve the “Renewable Portfolio Standard Service Committee Agreement”.

Further, the City’s deadline for the “Renewable Energy Plan” is April 4, 2009. Prior to the Renewable Energy Plan submittal, the MPSC is requiring municipal electric utilities to receive public comment on their proposed “Renewable Energy Plan”. To receive public comment the City Clerk requested that the City Council authorize a public hearing to be held on March 16, 2009 during the regular City Council meeting.

Clerk McRae addressed Council member’s questions and concerns. After the discussion, the following motion was offered:

#7550 – Motion by Heinz, second by Pfeifer, to approve the “Renewable Portfolio Standard Service Committee Agreement” at an estimated cost of \$3,000, authorize the Acting Manager to execute said agreement, and approve a public hearing on the proposed “Renewable Energy Plan” at the March 16, 2009 regular City Council meeting.

Ayes – 4  
Nays – 0

8. Boards and Commissions

A. Planning Commission (PC)

Council reviewed the February 19, 2009 PC meeting minutes. Mayor Dika stated that the next PC meeting is scheduled for 6:00 p.m., Thursday, March 19, 2009.

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B. Zoning Board of Appeals (ZBA)

Mayor Dika announced that the next ZBA meeting scheduled for 5:30 p.m., Wednesday, March 11, 2009.

C. Board of Review

Mayor Dika announced that the Board of Review will be meeting two days; Monday, March 9, 2009 from 9:00 a.m. until 12:00 noon and from 2:00 p.m. until 5:00 p.m., and on Tuesday, March 10, 2009 from 1:00 p.m. until 4:00 p.m. and from 6:00 p.m. until 9:00 p.m.

D. Next Council Meeting

Mayor Dika announced the next regular City Council meeting is scheduled for 7:00 p.m., Monday, March 16, 2009 in the City Council Chambers.

9. Old and New Business

A. Census

Mayor Dika stated that he received some census material. He thought that he would like to appoint a Councilperson to work with the City Clerk and the new City Manager on this issue and report back to Council. He would like to turn this issue over to Councilperson Hegedus to research and Chair. The remaining Council members concurred.

10. Adjournment

With no further business, Mayor Dika adjourned the meeting at 7:49 p.m.

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Ronald B. McRae, City Clerk

Approved: March 16, 2009

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Alan J. Dika, Mayor

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Attachments