

**Harbor Springs City Council Minutes  
April 21, 2008**

Mayor Pro-Tem Kors called the tenth meeting of the Harbor Springs City Council to order at 7:00 pm, in the City Council Chambers at 160 Zoll Street, Harbor Springs, Michigan.

1. Roll Call and Verification of Quorum

Present: Alan Hegedus, Michael Heinz, Laura Kors and Pringle Pfeifer

Absent: Jean Jardine

Also Present: City Attorney James T. Ramer, City Manager Frederick W. Geuder, Police Chief Daniel J. Branson and City Clerk Ronald B. McRae

2. City Clerk / Comptroller / Treasurer

A. Approval of Minutes

The following changes were requested to be made to the March 17, 2008 regular meeting minutes:

1. Page 2, Item 2B, the voucher numbers should be "7449, 7450 and 7451".
2. Page 3, Item 5, in the second "WHEREAS", the last line reads, "...under the City Zoning Code; and; and; and;". It should read, "...under the City Zoning Code; and;".
3. Page 9, Item 6, the first full paragraph on the page, last sentence reads, "believes the business community's standpoint is..." It should read, "...believes the business community's preference is..."
4. Page 11, Item 9A, the fourth paragraph, first sentence reads, "Mayor Jardine if anyone else had a nomination." It should read, "Mayor Jardine asked if anyone else had a nomination."

#7426 – Motion by Pfeifer, second by Heinz, to approve the March 17, 2008 regular 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
7452	Trust Payouts 2/15 -3/14/08	Trust Fund	\$44,459.85
7453	Payroll Ending 3/16/08	General Fund	\$26,349.69
		Major St. Fund	1,691.60
		Local St. Fund	1,400.36
		Historical Fund	432.80
		Electric Fund	9,758.87
		Water & Sewer Fund	5,491.91
		Waterfront Fund	259.02
		Equipment Fund	3,828.38

7454	Accounts Payable - No Council 3/30/08	General Fund	\$37,273.79
		Major Street Fund	44.74
		Local Street Fund	0.00
		Historical Fund	195.05
		Electric Fund	171,973.40
		Water & Sewer Fund	8,852.90
		West Traverse Water	0.00
		Waterfront Fund	1,001.01
		Equipment Fund	7,163.34
7455	Payroll Ending 3/30/08	General Fund	\$34,158.85
		Major St. Fund	827.12
		Local St. Fund	701.10
		Historical Fund	432.80
		Electric Fund	28,160.15
		Water & Sewer Fund	5,407.59
		Waterfront Fund	786.20
		Equipment Fund	2,780.41
7456	Trust Payouts 3/15 -3/31/08	Trust Fund	\$645.52
7457	Sales Taxes Mar 08 And State Withholding	General Fund	\$3,962.66
		Electric Fund	12,380.33
7458	Accounts Payable - No Council 4/14/08	General Fund	\$3,006.01
		Major Street Fund	0.00
		Local Street Fund	0.00
		Historical Fund	0.00
		Electric Fund	32,283.18
		Water & Sewer Fund	24,447.62
		West Traverse Water	0.00
		Waterfront Fund	1,231.57
		Equipment Fund	3,072.68
7459	Payroll Ending 4/130/08	General Fund	\$23,172.63
		Major St. Fund	1,018.03
		Local St. Fund	921.27
		Historical Fund	432.80
		Electric Fund	9,664.00
		Water & Sewer Fund	5,128.84
		Waterfront Fund	1,231.57
		Equipment Fund	3,072.68
7460	Accounts Payable - Council 4/14/08	General Fund	\$39,225.47
		Major Street Fund	0.00
		Local Street Fund	0.00
		Historical Fund	230.26
		Electric Fund	19,396.01
		Water & Sewer Fund	18,343.82
		West Traverse Water	4,267.63
		Waterfront Fund	8,451.16
		Equipment Fund	9,057.43

#7427 – Motion by Pfeifer, second by Hegedus, to approve the bills in the amount of \$613,806.66.

Ayes – 4  
Nays – 0

THEREFORE, BE IT RESOLVED that claims on voucher numbers #7452, #7453, 7454, 7455, 7456, 7457, 7458, 7459 and #7460, checked by the Finance Committee, in the amount of \$613,806.66 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	\$167,148.50
Major Streets Fund	3,581.49
Local Streets Fund	3,022.73
Police Reserve	0.00
Historical Fund	1,723.71
Electric Fund	283,615.94
Water & Sewer Fund	67,672.68
West Traverse Water Fund	4,267.63
Waterfront Fund	11,729.05
Equipment Fund	26,585.08
Trust Fund	44,459.85
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Total	\$613,806.66
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### 3. Citizen Comments

None

### 4. Review Policy for Off-Premise Signs

City Manager Geuder stated that he has had questions concerning the "Moving Mates Signs" at the Lake Street and State Street intersection. An out-of-town business owner attempted to put his signs there, also. Manager Geuder also reviewed the history of the "Moving Mates Signs".

Jane Mancour, owner of Moving Mates, stated that she gets comments from patrons that they are glad to see her signs. Further, Mancour reviewed how her business is a benefit to the community and the fact that she does comply with all of the City regulations regarding her signs. Further, she keeps the signs in good repair and maintains them regularly. Mancour also reflected on the fact that she refers people to the other businesses in Harbor Springs.

Shirley Snyder, 545 Arbor Street, stated that she believes that Moving Mates provides a service for the community. Snyder also commented on the benefits of the services that Moving Mates gives the community.

Manager Geuder said he agreed that Mancour does follow the regulations for placement of her signs and that the signs are well maintained.

Councilperson Pfeifer stated that she learned a lot about Moving Mates. Further, she has supported the directional signs for businesses such as Council's recent actions concerning the sign request for East Third Street. Pfeifer stated that she would like the City to be consistent in its sign policies. However, Councilperson Pfeifer did state she would not be in favor of having five signs from five different businesses in that location.

Councilperson Pfeifer then asked some policy questions concerning the estate sale on Beach Drive. Manager Geuder responded to her concerns.

Councilperson Hegedus questioned a temporary fix to this issue. Manager Geuder responded to Councilperson Hegedus' question.

Councilperson Heinz stated that he did not have a problem with the current policy and would prefer to leave it as it is until there are more complaints. Council could then address each request individually.

Mayor Pro-Tem Kors concurred with Councilperson Heinz's opinion, but added that business owners and other people should let the City know what they are planning.

#7428 – Motion by Heinz, second by Hegedus, to leave the policy on the Moving Mates' sign as it is for this year, and to review the issue in the fall.

Ayes – 4

Nays – 0

#### 5. Presentation by the District Library Interest Group

City Manager Geuder introduced Carolyn Sandford. Sandford is a member of the District Library Interest Group. Sandford stated that the current library is a private library and has been operating and serving the community for over one hundred years. However, the current building space where the library is located is too small and would be difficult to make larger and up-to-date to handle current technology.

Presently, the Petoskey Library is the only updated library for the residents to use. Depending on the time of year, a trip to Petoskey could be very time consuming. Sandford believes that a District Library would be better suited for the Harbor Springs Area residents. A community-wide informational meeting is planned for 7:00 p.m., Thursday evening, May 8, 2008 at the West Traverse Township Hall. Sandford asked that the City have a representative to meet with the District Library Interest Group. Sandford further stated that the District Library Interest Group would like to keep the public informed and be pro-active with this issue.

Council members discussed this request and the District Library Concept. Manager Geuder stated that he planned to attend the District Library Interest Group meeting.

#### 6. Sk-8 Park Operation

City Manager Geuder discussed the history of the operations of the Sk-8 Park. He stated that he received a request from Sandy Baker, representing Harbor Area Recreation and Entertainment, Inc. (H.A.R.E.), for H.A.R.E. to manage the Sk-8 Park. Though there is no formal agreement or management contract as yet, Manager Geuder wanted to provide Council with an idea of the concept of how this may work. Manager Geuder did state that he did not believe that the City's costs would go down this year, but perhaps it would be beneficial to the City in future years.

Baker stated that H.A.R.E. had finally been granted "not-for-profit" status. Further, she hopes that with the cooperation from the City, perhaps H.A.R.E. could do more in the future with some other recreational programs.

Council discussed the proposed ideas. Manager Geuder stated that he would like to try to operate the Sk-8 Park this year under the management of H.A.R.E.

Councilperson Pfeifer stated that she would like to try operating the Sk-8 Park under the management of H.A.R.E., too. Further, she hopes that this could be a step in the direction of getting everyone to contribute for the cost of some of the operations for the recreational programs in the City.

#7429 – Motion by Pfeifer, second by Heinz, to proceed with the proposal of having Harbor Area Recreation and Entertainment, Inc. manage the Sk-8 Park operations this summer as outlined by the City Manager and to authorize the City Manager to execute the Management Agreement with Harbor Area Recreation and Entertainment, Inc., subject to the City Attorney's approval of the proposed Management Agreement.

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

Mayor Pro-Tem Kors declared the motion approved.

#### 7. Women's Organization of Northern Michigan

City Manager Geuder stated that the Women's Organization of Northern Michigan (WONM), formerly the Harbor Springs Women's Club, would like to hold a raffle at their annual Art Fair. The raffle tickets are proposed to be sold from May 2008 up to their Art Fair to be held in July 2008. However, the Michigan Charitable Gaming Commission requires that a number of forms be filled out so that approval can be given for the WONM to hold their raffle. Because the Michigan Charitable Gaming Commission requires a resolution from a Local Governing Body, Council is being asked to approve the "Local Governing Body Resolution for Charitable Gaming Purposes". Manager Geuder further stated that the WONM is a long-time local service organization.

Council discussed this request briefly.

#7430 – Motion by Pfeifer, second by Heinz, to approve the "Local Governing Body Resolution for Charitable Gaming Purposes".

Ayes – 4  
Nays – 0

#### 8. Levi Sikkema Fundraiser

City Manager Geuder stated that he received a request from Carol Slotnick to hold a fundraiser on the downtown waterfront near the Pier Restaurant. The purpose of the fundraiser is to raise monies to help the family meet the bills for Levi Sikkema, 29 years of age, who suffered a massive stroke in January. The proposed fundraiser is an ice cream social scheduled for 1:00 p.m. to 4:00 p.m. Sunday, June 29, 2008, with a rain date scheduled for 5:00 p.m. to 8:00 p.m. on Monday, June 30, 2008. Music is planned (Reverend Toby Jones will play the guitar). A tent or canopy may be used.

Council discussed this issue briefly.

#7430 – Motion by Pfeifer, second by Hegedus, to approve the fundraiser as proposed, and to authorize the City Manager to work with Slotnick on this event.

Ayes – 4  
Nays - 0

9. Request to Purchase a Leaf Vacuum and Loader

City Manager Geuder stated that Superintendent Ward is proposing to purchase a Leaf Vacuum from W. F. Miller and Company with a purchase price of \$14,900. Manager Geuder stated that Superintendent Ward and his staff put a lot of time researching this purchase. Further, the quoted price is \$100 less than the amount budgeted for this item.

Councilperson Heinz stated that he believes that Superintendent Ward would make the best recommendation possible.

#7431 – Motion by Heinz, second by Hegedus, to approve the purchase of a Leaf Vacuum, as presented, from W. F. Miller Company at a cost of \$14,900.

Ayes – 4  
Nays – 0

10. Request to Purchase a Postage Machine

City Manager Geuder stated that the City Clerk is requesting that Council approve the purchase of a new postage machine. After December 31, 2008, the City's current postage machine will become technologically obsolete. The use of the City's current postage meter will no longer be allowed by the U.S. Post Office.

Manager Geuder stated that the current machine is an Ascom Hasler 335. We have had very few operating problems with the equipment. The number of service calls is very few. The new postage machine proposed is a Hasler WJ 185. It is a step up from our current machine.

The quotes that were received from Van's Office Machines (Neopost), Michigan Officeways (Hasler) and Pitney Bowes were:

Neopost	\$7,495.00
Hasler	\$5,707.57
Pitney Bowes	\$10,777.00

Most of the features on the machines were very similar, except that the Pitney Bowes model came with a 15 pound scale instead of a 10 pound scale. The annual maintenance costs quoted were:

Neopost	\$300.00
Hasler	\$695.60
Pitney Bowes	\$913.00

The last item considered was the meter rental costs. Both the Neopost and Pitney Bowes models offered a three-year moratorium on costs to change postage rates on the their meters. However, after three years those costs would be charged. The Hasler offered the services as part of their meter rental rates. The annual meter rental rates quoted are:

Neopost	\$1,356.00
Hasler	\$1,296.00
Pitney Bowes	\$768.00

Manager Geuder stated that he concurred with the City Clerk's recommendation to purchase the Hasler WJ 185 Postage Machine. Further, the proposed postage machine is less than the budgeted amount of \$15,000.

#7432 – Motion by Heinz, second by Hegedus, to purchase the Hasler WJ 185 Postage Machine, as presented, from Michigan Officeways at a cost of \$5,707.57.

Ayes – 4  
Nays – 0

#### 11. Policy for Proposed Right-of-Way Work

City Manager Geuder discussed the draft of the Policy for Proposed Right-of-Way Work. Manager Geuder stated that he believed that the draft of the Policy for Proposed Right-of-Way Work is consistent with the approved Policy for Burying Electric Lines within the right-of-way.

Councilperson Pfeifer stated that she would like to review this policy more closely with the Policy for Burying Electric Lines with City Manager Geuder. She did state that she believed that the proposed policy was reasonable, but she would like to see the two policies as consistent as possible.

Manager Geuder stated that he would review the policies with Councilperson Pfeifer and then Council could consider the Policy for Proposed Right-of-Way Work at their May 5, 2008 meeting.

#### 12. Request for Truth-in-Taxation Public Hearing

City Manager Geuder stated that City Clerk McRae recommends that Council hold a "Truth-in-Taxation" Public Hearing to levy a millage to meet the 2008 budgeted revenue needs for the City. Manager Geuder stated that the City needs to levy 5.8658 mills in 2008 to generate \$1,315,500 from property taxes. The City levied 5.8774 mills in 2007. Manager Geuder did state that the proposed millage rate did not exceed the "Headlee Millage Limitation" millage rate of 6.1978 mills.

Council discussed the proposed millage rate. After the discussion, the following motion was offered:

#7433 – Motion by Heinz, second by Pfeifer, to hold a "Truth-in-Taxation" Public Hearing at the May 19, 2008 City Council Meeting at 7:00 p.m.

Ayes – 4  
Nays – 0

#### 13. Poll Workers for the May 6, 2008 School Election

City Manager Geuder stated that the City Clerk is requesting that Council authorize the following individuals to work as Election Inspectors for the School Election to be held on May 6, 2008. They are:

Morning Shift:	Afternoon Shift:
Eleanor (Muggs) Jardine	Terry Thoma
Norine McBride	Marge Owen
Carol Smelt	Betty Taylor
William Owen	Mike Heinz

Manager Geuder stated that the Election Workers will be paid \$75 for a half day, plus \$10 per hour to attend training and \$0.505 per mile for travel expenses to go to training, which is within the budget.

#7434 – Motion by Pfeifer, second by Hegedus, to approve the Election Inspectors and their compensation, as presented.

Ayes – 4  
Nays – 0

#### 14. Board and Commissions

##### A. Planning Commission (PC)

Council reviewed the March 20, 2008 PC meeting minutes. Mayor Pro-Tem Kors announced that the next scheduled PC meeting is scheduled for 6:00 p.m., Thursday, May 15, 2008 in the City Council Chambers.

##### B. Zoning Board of Appeals (ZBA)

Mayor Pro-Tem Kors announced that the ZBA meeting is scheduled for 5:30 p.m., Wednesday, May 14, 2008 in the City Council Chambers, if there is any agenda item

##### C. Harbor Commission Meeting (HC)

Council reviewed the March 19, 2008 HC meeting minutes. Mayor Pro-Tem Kors announced that the HC meeting is scheduled for 4:00 p.m. on Wednesday, June 18, 2008 and will be held in the City Council Chambers.

##### D. Appointments to Boards and Commissions

Mayor Pro-Tem Kors stated that she discussed the vacancy on the PC with Mayor Jardine. Jeff Ford and Mary Ellen Hughes made recommendations and Peter Sears plans have changed. He is still available to serve for several more months. After some discussion, the consensus of Council was to wait to take any action. This would give them the opportunity to review the nominees.

##### E. Resolution for Graham Project

City Manager Geuder stated that the Graham Family Partnership would like to add commercial dock space and perform some dredging at 460 East Bay Street. Tom Graham, on behalf of the Graham Family Partnership, has applied to the Michigan Department of Environmental Quality for approval to add a floating dock with four additional dock slips to the existing dock at 460 East Bay Street. City Council could approve a resolution recommending approval by the Michigan Department of Environmental Quality to approve the Graham Family Partnership Proposed Project.

Manager Geuder stated that both the HC and the PC have reviewed and approved the proposed project. The proposed project is in compliance with the Harbor Master Plan. Further, the Grahams own the bottomlands where the project is planned to take place.

Council discussed the proposed project. Councilperson Heinz questioned if the dredging would have an unsettling effect on the rip-rap at Ford Park. Manager Geuder stated that the issue was considered. However, a condition to repair or replace the rip-rap could be added to the resolution as insurance.

#7435 – Motion by Heinz, second by Hegedus, to approve the Resolution Recommending State of Michigan Approval of the Proposed Graham Family Partnership Dock Addition and Dredging Project, with the condition that should it be found that the proposed project causes any damage or unsettling of the rip-rap at Ford Park, said repairs shall be borne by the applicant.

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

#### F. Next City Council Meeting

Mayor Pro-Tem Kors announced the next regular City Council meeting is scheduled for 7:00 p.m., Monday, May 5, 2008 in the City Council Chambers.

### 15. Old and New Business

#### A. Beach Maintenance

Councilperson Hegedus questioned the maintenance at the beach on Glenn Drive. City Manager Geuder stated that this beach is not signed and vehicles are not permitted on the right-of-way. This beach is a forty-foot wide old platted road that was never developed. It runs from Glenn Drive to the shore. He will take a look at the conditions on the beach.

#### B. Open Flags

Council discussed the open flags downtown. City Manager Geuder stated that he needed to get back with Pat Reams on this issue. Councilperson Heinz suggested that Manager Geuder could also discuss this issue and work with the new Chamber of Commerce Director. Manager Geuder stated he would work with her, too.

#### C. Vendor's License

City Manager Geuder stated that he received a letter from Will Grogan stating that he will not apply for the vendor's license on the waterfront by the Harbormaster's Office and docks. If someone else applies, Manager Geuder stated that he would bring the request to Council for their approval.

#### D. New Police Officer

Councilperson Hegedus thanked Police Chief Branson for the write up on the new Police Officer, David Heater. City Manager Geuder stated that Chief Branson would have Officer Heater at a Council meeting to be introduced.

E. Clean Up

Mayor Pro-Tem Kors and other Council members commented on how nice the City is starting to look. They thanked the Department of Public Works' crew for their efforts.

F. House Tear Down

Council members commented on another house being torn down and asked what it is being replaced with. Manager Geuder responded to their questions.

16. Adjournment

With no further business, Mayor Pro-Tem Kors adjourned the meeting at 8:34 p.m.

Approved: May 5, 2008

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Ronald B. McRae, City Clerk

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Laura Kors, Mayor Pro-Tem

City Council Meeting Minutes  
April 21, 2008  
Attachments