

**Harbor Springs City Council Minutes  
June 5, 2006**

Mayor Jardine called the thirteenth 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: Jean Jardine, Mick Heinz, Laura Kors, Jim Grogan, and Dennis Wiggins  
 Absent: None  
 Also Present: City Attorney James Ramer, City Manager Fred Geuder, City Police Chief Dan Branson, and City General Secretary Jennifer Kruzal.

2. City Clerk / Comptroller / Treasurer

A. Approval of Minutes

#7174 – Motion by Kors, second by Heinz, to approve the May 15, 2006 regular City Council meeting minutes as read.

Ayes – 5  
 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:

#7290 – Payroll	P.P. E. 5/14/06	\$ 28,697.84 General Fund 612.39 Major Sts Fund 534.00 Local Sts Fund 422.40 Historical Fund 11,312.71 Electric Fund 5,540.68 W & S Fund 3,858.04 Waterfront Fd 534.71 Equipment Fd
#7291 – A/P	No Council 5/30/06	\$ 5,832.51 General Fund 10.72 Major Sts Fund 132.61 Historical Fund 5,096.69 BA Const Fund 155,925.17 Electric Fund 3,049.99 W & S Fund 17,823.38 Waterfront Fund 2,700.05 Equipment Fund
#7292 – Payroll	P.P.E. 5/28/06	\$ 33,123.06 General Fund 917.30 Major Sts Fund 288.60 Local Sts Fund 422.40 Historical Fund 10,323.17 Electric Fund 4,354.22 W & S Fund 7,601.55 Waterfront Fd 741.74 Equipment Fd
#7293 – Trust	Trust Payout	\$ 1,352.27 Trust Fund

#7294 – A/P	Council 6/5/06	\$ 17,905.93 General Fund 116.00 Local Sts Fund 120.00 Police Res Fd 34.65 Historical Fund 4,705.83 Electric Fund 2,459.84 W & S Fund 560.90 Waterfront Fd 829.13 Equipment Fd
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#7175 – Motion by Kors, second by Wiggins, to approve the bills in the amount of \$327,940.48.

Ayes – 5  
 Nays – 0

THEREFORE, BE IT RESOLVED that claims on voucher numbers #7290, #7291, #7292, #7293 and #7294, checked by the Finance Committee, in the amount of \$327,940.48 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	85,559.34
Major Streets Fund	1,540.41
Local Streets Fund	938.60
Police Reserve	120.00
Historical Fund	1,012.06
B. A. Construction Fund	5,096.69
Electric Fund	182,266.88
Water & Sewer Fund	15,404.73
West Traverse Fund	0.00
Waterfront Fund	29,843.87
Equipment Fund	4,805.63
Trust Fund	1,352.27
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Total	\$327,940.48
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3. Citizen Comments

Opening of the Longhouse on July 11, 2006

Representing the Andrew J. Blackbird Museum, Joyce Shagonaby, Museum Curator, Robert Shagonaby, Kathy Lott and Ray Kiogima invited City Council to attend the opening of the Longhouse on July 11th for the 2006 summer season. City Council members will be the honored guests. The evening will feature Native American drum, prayer and song, as well as corn soup and fry bread. Kathy Lott, board member for the museum, recognized Joyce Shagonaby's outstanding performance as curator.

Petition to move the start of the 4<sup>th</sup> of July Parade

Kathy Lott, Executive Director of the Chamber of Commerce, stated that she received a petition signed by 300 people requesting that the start of the parade on the 4<sup>th</sup> of July be moved to Hoover Field. The reason for this request is so residents of Bay Bluffs can watch the parade while remaining on their own property.

Lott felt that moving the parade this year would be extremely difficult logistically, and with Council's approval, she would like to research this idea further. Lott would like to address the move for the 2007 4<sup>th</sup> of July parade. Council agreed that it would be best to wait until after the 2006 parade to consider any changes.

4. City Manager

A. Proposed Zoning Code Amendments

The City Manager reviewed Zoning Code Amendments recommended by the Planning Commission.

Ordinance 359 - to amend Chapter 50, of Title V, Section 50.302 (12); to redefine "home occupation" so that it is in sync with the City Code definition.

Ordinance 360 - to amend Chapter 50, of Title V, Section 50.302 (1)(h); to allow no more than two accessory buildings per lot within the City limits. Guest quarters will only be allowed in one accessory building, and the total cumulative square footage of the two accessory buildings will not exceed 75% of the principal residence footprint.

Ordinance 361 – to amend Chapter 50 of Title V, Section 50.301 (4)(b), Section 50.1201 (5), Section 50.1201 (8), Section 50.1301, Section 50.1801 (1)(a), and Section 50.1801 (1)(b); to more clearly define on-site, off street parking requirements for downtown CBD zoned buildings with storefronts and living units above them.

Ordinance 362 (to be renumbered Ordinance 363) – an ordinance adopting a revision and recodification of Article 6, Chapter 50 of Title V of the Harbor Springs City Code; to create a new zoning classification R-1-D, allowing for 50 foot lots with new setback guidelines in such neighborhoods as Southard & Crandall's subdivision, below the bluff and West of State Street.

After Council member Heinz expressed some concerns regarding this Ordinance allowing for new, smaller subdivisions creating higher density issues, City Council members agreed to table this ordinance until the next council meeting in order to review its contents further.

#7176 – Motion by Heinz, second by Grogan, to approve Ordinances 359, 360, and 361 as presented.

Ayes – Jardine, Grogan, Heinz, Kors, Wiggins  
Nays – None

The City Manager reviewed the proposed re-zoning of 257 E. Third to B-1 (commercial), as recommended by the Planning Commission.

Ordinance 362 - to amend Section 401 of Chapter 50 of Title V; to rezone the property at 257 E. Third Street from R-2 to B-1. Owners have a small jewelry business and would like to convert the quarters in the accessory building into a studio. The rezoning has been recommended by the Planning Commission.

#7177 – Motion by Kors, second by Wiggins to approve Ordinance 362 as presented.

Ayes – Grogan, Heinz, Kors, Wiggins, Jardine  
Nays – None

A. AHA! Request for Use of Ottawa Stadium

Pat Stedman, Director of The Association for Harbor Arts, wrote a letter to City Manager Geuder requesting the use of the Ottawa Stadium on Tuesday, August 8, 2006 for "The Night of the Northern Stars." Any non-school function must be approved by City Council. Per Chief Branson, AHA! has hosted this event in years past without incident.

#7178 Motion by Grogan, second by Heinz to grant AHA! permission for the use of Ottawa Stadium on Tuesday, August 8, 2006 for "The Night of the Northern Stars."

Ayes – 5  
Nays – 0

B. Blissfest's request to host the 2006 Celtic Fest in Zorn Park

Jim Gillespie, Director of the Blissfest Music Organization, requested the use of Zorn Park on August 25, 2006 and August 26, 2006 for the 4<sup>th</sup> Annual Harbor Celtic Festival.

#7179 – Motion by Kors, second by Heinz to grant permission to the Blissfest Music Organization to host the 4<sup>th</sup> Annual Celtic Fest in Zorn Park, scheduled for August 25<sup>th</sup> and 26<sup>th</sup>, 2006.

Ayes – 5  
Nays – 0

C. City Manager's Presentation on our Electric System

Prior to the 1980s, and before the de-regulation of electricity, the City of Harbor Springs was a wholesale purchaser of energy from Consumers Power Company. We then set our own rates and delivered energy to the customer. Our cost was determined by two things – our "peak energy" day (which became our "demand" for the year) and our usage.

With an anti-trust settlement with Consumers Power over the failed Midland Nuclear Power Plant project in the 1970s, the City was able to secure their "peak energy" cheaper through an alternative source, administered by the Michigan Public Power Agency (MPPA). This reduced our yearly costs of electricity because our "demand" was less. We passed this savings along to our customers.

With de-regulation comes the ability to buy electricity from anywhere in the country and have it "wheeled" into our system. Electric bills in the future will contain many individual charges for generation, transmission, distribution costs and other services. The Investor Owned Utilities (IOUs) such as Consumers Energy and Detroit Edison no longer have an incentive to acquire or build new generation, because they no longer have a guaranteed market.

Some day soon the City may be forced to look at alternative sources for electricity, such as coal, wind or natural gas, or to buy into another base-load plant.

E. Request to Use the Downtown Tennis Courts

Mike Rahaley, head tennis pro for the Little Harbor Club, has made a request to use the City's downtown tennis courts one night per week. He would like to offer free tennis lessons on Wednesday evenings to 7 – 10 year olds. Mr. Rahaley would also like to advertise this event by hanging a small banner on the back fence of the courts. City Council members agreed to allow Mike Rahaley to use the tennis courts on Wednesday evenings this summer, beginning June 21<sup>st</sup>.

5. Boards and Commissions

A. Zoning Board of Appeals (ZBA)

Mayor Jardine announced the next ZBA Meeting is scheduled for 5:30 p.m., Wednesday, June 14, 2006. The meeting will be held in the City Council Chambers.

B. Planning Commission Meeting

Mayor Jardine announced the next Planning Commission Meeting is scheduled for June 15, 2006 at 6:00 pm. There will also be a special Planning Commission Meeting scheduled for June 22, 2006 at 6:00 pm.

C. Next City Council Meeting

The next City Council meeting is scheduled for 7:00 pm, Monday, June 19, 2006, in the City Council Chambers.

6. Old and New Business

A. 2005 Annual Police Report

Chief of Police Dan Branson submitted his annual report for 2005. There were no questions from council members; all felt the report was very complete and well written.

B. Benches

City Manager Geuder was reminded by Council of several places within the City's limits that need new park benches, to include the West Hill, the swimming beach and Tuttle Corner.

7. Adjournment

With no further business, Mayor Jardine adjourned the meeting at 8:25 pm.

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Ronald R. McRae, City Clerk

Approved: June 19, 2006

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Jean Jardine, Mayor

City Council Meeting Minutes  
June 5, 2006  
Attachments