

**Harbor Springs City Council Minutes
July 7, 2008**

Mayor Jardine called the fifteenth 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, Alan Hegedus, Michael Heinz, Laura Kors and Pringle Pfeifer

Absent: None

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

Council made the following changes to the June 16, 2008 meeting minutes:

- a. Page 2, Item 4, second paragraph, No. 1 reads, "The Red 'Open' Flags be permitted to be used on a year-round basis." It should read, "The Red 'Open' Flag, which is the only 'Open' flag approved by the City Council, be permitted to be used on a year-round basis. Also add: "No other 'Open' flag is permitted under the City Code."
- b. Page 3, Item 6, fourth paragraph, last sentence reads, "...the Planning Commission should be review the needs..." It should read, "...the Planning Commission should review the needs..."

#7461 – Motion by Pfeifer, second by Heinz, to approve the June 16, 2008 regular City Council meeting minutes as amended.

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:

| Voucher Number | Description | Fund Name | Amount |
|----------------|------------------------|--------------------|-------------|
| 7471 | Payroll Ending 6/22/08 | General Fund | \$34,638.43 |
| | | Major St. Fund | 801.84 |
| | | Local St. Fund | 589.82 |
| | | Historical Fund | 432.80 |
| | | Electric Fund | 8,931.23 |
| | | Water & Sewer Fund | 5,307.26 |
| | | Waterfront Fund | 6,565.48 |
| | | Equipment Fund | 1,410.41 |

| | | | |
|------|--|---------------------|-------------|
| 7472 | Accounts Payable - No Council 6/30/08 | General Fund | \$9,394.66 |
| | | Major Street Fund | 442.09 |
| | | Local Street Fund | 125.75 |
| | | Police Reserve Fund | 0.00 |
| | | Historical Fund | 0.00 |
| | | Electric Fund | 156,953.26 |
| | | Water & Sewer Fund | 204.72 |
| | | West Traverse Water | 0.00 |
| | | Waterfront Fund | 6,341.47 |
| | | Equipment Fund | 231.41 |
| | | | |
| 7473 | Accounts Payable - Council 7/7/08 | General Fund | \$25,943.90 |
| | | Major Street Fund | 1,144.81 |
| | | Local Street Fund | 1,132.81 |
| | | Police Reserve Fund | 0.00 |
| | | Historical Fund | 129.72 |
| | | Electric Fund | 9,994.83 |
| | | Water & Sewer Fund | 15,185.78 |
| | | West Traverse Water | 9,327.98 |
| | | Waterfront Fund | 3,533.90 |
| | | Equipment Fund | 17,934.64 |

#7462 – Motion by Hegedus, second by Pfeifer, to approve the bills in the amount of \$316,699.22.

Ayes – 5
 Nays – 0

THEREFORE, BE IT RESOLVED that claims on voucher numbers 7471, 7472, and 7473 checked by the Finance Committee, in the amount of \$316,699.22 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 | \$69,976.99 |
| Major Streets Fund | 2,388.74 |
| Local Streets Fund | 1,848.38 |
| Police Reserve | 0.00 |
| Historical Fund | 562.52 |
| Electric Fund | 175,879.32 |
| Water & Sewer Fund | 20,697.83 |
| West Traverse Water Fund | 9,327.98 |
| Waterfront Fund | 20,697.83 |
| Equipment Fund | 16,440.85 |
| Trust Fund | 19,576.61 |
| | ----- |
| Total | \$316,699.22 |
| | ===== |

3. Citizen Comments

Kay Flavin, 230 West Bluff Dr., stated that she would like the City to trim the west bluff. Some of the shrubs and sumac have grown so much that the view is being impaired. She asked that Council make the trimming a priority for this year. City Manager Geuder stated that each year there are monies allocated in the budget for tree management and the trimming on the west bluff is included in that budget amount.

4. Request for Temporary Crooked Tree Murals

City Manager Geuder stated that Rob Mossburg has requested Council approval to paint murals on the walls where the Harborside Inn was torn down. Mossburg stated that the murals would be temporary. They would only be up until the construction of the Harbor Springs Hotel (Hotel Janelle) begins this fall. Further, David and Mary Woods have given their permission to paint a mural on the east side of the Graphic Building.

Two representatives from the Crooked Tree Arts Council, Eva Sharp and Marguerite Mooradian, made a presentation of the murals that they are proposing to paint on the exposed walls of the hotel site and the east side of the Graphic Building. After the presentation, Council questioned Mossburg and the Crooked Tree Arts Council Representatives about their plans.

Manager Geuder stated that he thought this proposal was a good one.

#7463 – Motion by Kors, second by Heinz, to approve the painting of the murals at the Harbor Springs Hotel Construction site and the east side of the Graphic Building, as presented by the Crooked Tree Arts Council representatives.

Ayes – 5
Nays – 0

5. Abandoned Building in the Prospect Street Right-of-way

City Manager Geuder stated that there is an abandoned building at the very north end of the Leighton Park subdivision in the Prospect Street right-of-way between State Street and Traverse Street. Both property owners (on Traverse Street and on State Street) adjacent to the structure would like to see it removed.

Because the structure is in the right-of-way, Manager Geuder believes that the City should pay to remove the building. He believes that it was built prior to 1982.

Councilperson Heinz stated that the building has been there quite a while and that it should be removed. Further, Councilperson Heinz doesn't believe that it would take more than half a day to remove the building and clean up the debris.

#7464 – Motion by Heinz, second by Pfeifer, to remove the abandoned building in the Prospect Street right-of-way.

Ayes – 5
Nays – 0

6. 2007 Independent Annual Audit

City Manager Geuder introduced Jim Cusenza, Partner from Hill Schroderus and Company, CPAs, LLC. Hill Schroderus performed the City's independent annual audit for fiscal year ending December, 31, 2007.

Cusenza introduced his associate, Alicia Deschermeier, who also worked on the City's Audit. Cusenza stated that the City received an unqualified opinion on the audit. Further, all of the City's Funds had an operating surplus during 2007. Deschermeier then reviewed the individual funds and cash and debt statements.

City Manager Geuder briefly discussed the operations for 2007 and some points to watch during 2008.

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#7465 – Motion by Kors, second by Pfeifer, to receive and file the annual independent audit for fiscal year ending December 31, 2007, as presented by Hill Schroderus and Company, CPAs, LLC.

Ayes – Kors, Pfeifer, Jardine, Hegedus, and Heinz

Nays – None

7. Purchase of a Pickup Truck

City Manager Geuder stated that a new pickup truck was included in the 2008 Budget. The proposed pickup will replace the 1999 Dodge ¾ Ton 4x4 Pickup Truck. The proposed pickup truck is a 2008 Dodge ¾ Ton 4x4 Pickup to be purchased through the State of Michigan purchasing contract at a cost of \$21,483.95, plus a delivery charge of \$2 per mile. The delivery charge is estimated to cost \$450. The Bill Snethkamp Dealership in Lansing will handle the truck purchase.

After Council discussed the proposed truck purchase, the following motion was offered:

#7466 – Motion by Heinz, second by Kors, to approve the purchase of the proposed 2008 Dodge ¾ Ton 4x4 Pickup Truck, as proposed at a cost of \$21,483.95, plus a \$2.00 per mile delivery charge.

Motion carried, 4-1, Hegedus dissenting.

8. MERS Officer Delegate

City Manager Geuder stated that each year the Municipal Employee Retirement System of Michigan (MERS) holds its annual meeting in September. The City is entitled to name an Officer Delegate. The employees participating in MERS are entitled to name an employee delegate. The last several years Council has named the City Clerk, Ron McRae, to serve as the Officer delegate. Manager Geuder stated that he is recommending the appointment of the City Clerk as the Officer Delegate again this year.

#7467 – Motion by Pfeifer, second by Hegedus, to appoint the City Clerk, Ron McRae, as the Officer Delegate to the MERS Annual Meeting in September of 2008.

Ayes – 5

Nays – 0

9. Petoskey Library Request

City Manager Geuder stated that he received correspondence from the Petoskey Library. Petoskey is asking that the City of Harbor Springs pay ten dollars per card holder for the 134 card holders that they have listed as the City of Harbor Springs residents. The payment would be a one-year commitment. To date, the City of Harbor Springs has never paid any amount for the card holder.

Council discussed this issue. Before making a decision on the proposed agreement, City Council concurred that they would like to review how many addresses are represented by the card holders and how many card holders are in various age ranges.

City Manager Geuder stated that he would request the information from the Petoskey Library.

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10. Boards and Commissions

A. Planning Commission (PC)

Mayor Jardine announced that the next regularly scheduled PC meeting is scheduled for 6:00 p.m., Thursday, July 17, 2008.

B. Zoning Board of Appeals (ZBA)

Mayor Jardine announced that the next ZBA meeting is scheduled for 5:30 p.m., Wednesday, July 9, 2008.

C. Harbor Commission (HC)

Council reviewed the June 18, 2008 HC meeting minutes. Mayor Jardine announced that next HC meeting is scheduled for 4:00 p.m., Wednesday, July 16, 2008 in the City Council Chambers.

D. Next City Council Meeting

Mayor Jardine announced the next regular City Council meeting is scheduled for 7:00 p.m., Monday, July 21, 2008 in the City Council Chambers.

11. Old and New Business

A. Handi-Cap Parking for the Fourth of July

Councilperson Heinz asked if there were some area that could be designated for handi-cap parking for the physically impaired downtown for the parade. Manager Geuder stated that the Baptist Church allowed the physically-disabled to use their parking lot in the past. He was not sure of the number of spaces available or how the Church could be notified that a physically-disabled person would like to reserve a parking space or even if they did it anymore. Manager Geuder stated that he would do his best to check with the Baptist Church to get an update on the status of the handi-cap parking.

B. Line of Sight Concern at the Top of Judd Hill

Mayor Jardine asked if a mirror or some other aid could be installed at the top of Judd Hill to see if a vehicle is coming up the hill. She noted that a vehicle headed to the east on East Bluff Drive coming from the west could not see toward the south down Judd Hill.

Manager Geuder stated that he would review this issue with Chief Branson.

C. City Manager Retirement

City Manager Geuder announced his retirement. His letter to Council served as his six-month notice as required by the City Manager's Contract.

Manager Geuder stated that he will work until sometime in February 2009. Manager Geuder would use up his accrued vacation through his retirement date of March 16, 2009.

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12. Adjournment

With no further business, Mayor Jardine adjourned the meeting at 8:08 p.m.

Ronald B. McRae, City Clerk

Approved: July 21, 2008

Jean Jardine, Mayor

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Attachments