

**Harbor Springs City Council Minutes  
August 1, 2005**

Mayor Jardine called the seventeenth 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: Jean Jardine, Jim Grogan, Michael Heinz, Laura Kors and Pringle Pfeifer

Absent: None

Also Present: City Attorney James Ramer, City Manager Fred Geuder, and Ron McRae, City Clerk/Comptroller/Treasurer

2. City Clerk / Comptroller / Treasurer

A. Approval of Minutes

The following change was noted to the July 18, 2005 Council meeting minutes:

Item 4, page 3, the second paragraph, last sentence should have the word "either" deleted to read, "All merchandise would be on and under the tables and clothes racks".

#7066 – Motion by Pfeifer, second by Heinz, to approve the July 18, 2005 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:

|                       |  |              |                  |
|-----------------------|--|--------------|------------------|
| #7215 - Payroll       | PPE 07/24/05                           | \$ 14,196.31 | General Fund     |
|                       |  | 614.67       | Major Streets Fd |
|                       |  | 99.58        | Local Streets Fd |
|                       |  | 13,551.51    | Electric Fund    |
|                       |  | 6,172.71     | W&S Fund         |
|                       |  | 9,261.07     | Waterfront Fund  |
|                       |  | 1,086.52     | Equipment Fund   |
|                       |  | 441.37       | Historical Fund  |
| #7216 – Trust Payouts | '04 Del PPT/Summer<br>07/01 – 07/31/05 | \$866,411.57 | Trust Fund       |
| #7217 – A/P           | Council Bills – 08/01/05               | \$ 28,139.68 | General Fund     |
|                       |  | 2,826.83     | Major Streets Fd |
|                       |  | 1,858.75     | Local Streets Fd |
|                       |  | 213,484.25   | Electric Fund    |
|                       |  | 59,730.27    | W&S Fund         |
|                       |  | 5,112.67     | Waterfront Fund  |
|                       |  | 4,229.80     | Equipment Fund   |
|                       |  | 200.00       | B.A. Const Fund  |
|                       |  | 435.35       | Historical Fund  |
|                       |  | 200.00       | Police Reserves  |

#7067 – Motion by Heinz, second by Grogan, to approve the bills in the amount of \$1,228,052.91.

Ayes – 5  
Nays – 0

THEREFORE, BE IT RESOLVED, that claims on voucher numbers 7215, 7216, and 7217, checked by the finance committee, in the amount of \$1,228,052.91 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       | \$ 42,335.99            |
| Major Streets Fund | 3,441.50                |
| Local Streets Fund | 1,958.33                |
| Electric Fund      | 227,035.76              |
| Water & Sewer Fund | 65,902.98               |
| Waterfront Fund    | 14,373.74               |
| Equipment Fund     | 5,316.32                |
| B.A. Const Fund    | 200.00                  |
| Historical Fund    | 876.72                  |
| Trust Fund         | 866,411.57              |
| Police Reserves    | <u>200.00</u>           |
| Total              | \$1,228,052.91<br>===== |

3. Citizen Comments

None.

4. Presentation of the 2004 Audit

City Manager Geuder had the audit firm representatives introduce themselves.

Jim Cusenza, Partner from Hill Schroderus and Company, CPAs, LLP, introduced Scott Shearer and himself. Cusenza reviewed the highlights of the audit. He stated that the City received an “Unqualified Opinion” that the City’s financial statements represent fairly the financial position of the City. Further, Cusenza noted that the City is in good financial shape and our last year operations were relatively close to budget.

Council briefly discussed the audit with Cusenza. The following motion was offered:

#7068 – Motion by Kors, second by Grogan, to receive and file the 2004 Annual Independent Audit, as prepared by Hill Schroderus and Company, CPAs, LLP.

Ayes – Pfeifer, Jardine, Grogan, Heinz, and Kors  
Nays – None

5. Planning Commission Recommendation to Adopt Ordinance No. 355

City Manager Geuder stated that the Planning Commission (PC) has been working on an ordinance to define and regulate construction on the bluff. The PC has recommended that Council approve Ordinance No. 355, which defines the bluff itself, and restricts or regulates construction on or beside the bluff.

City Attorney Ramer reviewed changes made to the proposed Ordinance No. 355 distributed in the Council packets as compared to the proposed revised Ordinance No. 355 that was distributed and presented to Council members this evening.

Both City Manager Geuder and City Attorney addressed questions and concerns of the City Council members. After the discussion, the following motion was offered:

#7069 – Motion by Pfeifer, second by Kors, to approve Ordinance No. 355, as presented to Council on August 1, 2005, which defines the bluff, and restricts and regulates construction in the bluff area.

Ayes – Jardine, Grogan, Heinz, Kors and Pfeifer  
Nays – None

#### 6. Street and Sidewalk Projects

City Manager Geuder discussed three projects with City Council. They are:

1. New sidewalk construction on Center Street from East Lake Street south to Pine Street.
2. Street, sidewalk and storm sewer reconstruction on West Third Street.
3. Road reconstruction and sidewalk construction on Pine Street from Hoyt Street west to Arbor Street.

Manager Geuder stated that he would like to meet with the property owners and residents to inform them of the proposed projects and perhaps get their feed back on these proposed projects.

##### A. Center Street Sidewalk

Manager Geuder stated that he would propose to construct a sidewalk along the east side of Center Street from East Lake Street to Pine Street. A retaining wall will need to be constructed in the area of the Shay drain on the south side of East Lake Street to support the sidewalk. The sidewalk would then end at the northeast corner of the Pine Street and Center Street intersection.

Manager Geuder stated that he would like to do this project this fall, if possible.

Council members discussed the proposed Center Street sidewalk project with Manager Geuder. He addressed their questions and concerns.

##### B. West Third Street Project

City Manager Geuder reviewed the proposed West Third Street Project with Council. Manager Geuder stated that he would like to resurface West Third Street from Traverse Street west to Harrison Street. Further, he would like to reconstruct West Third Street from Harrison Street to Washington Street. Manager Geuder believes that this may be a good time to do this project because the infrastructure construction for the development of the Heinz property has been completed.

Manager Geuder did state that the home construction will take place on the property, but all of that will occur within the development area which is served by a single driveway.

Manager Geuder also stated that a storm sewer should be reconstructed from West Third Street north on Harrison Street to the storm sewer in the alley to replace the one that's there. Curb returns will be constructed at the intersections and sidewalk will be constructed on the north side of West Third Street along the south edge of the Dika property to connect the existing sidewalk to the curb on the northeast corner of the Harrison Street and West Third Street intersection. A second sidewalk should be constructed on the south side of West Third Street to connect the existing sidewalk to the sidewalk constructed by the Cottage Company.

Council members discussed this project with City Manager Geuder. One of their concerns was the fact that West Third Street would still be having heavy loads transported on it because the homes have not been constructed in the Cottage Company development. Manager Geuder stated that he would review this issue with Benchmark Engineering, Inc., and determine what alternatives are available.

C. Pine Street

City Manager Geuder reviewed the proposed Pine Street Project with Council. A sidewalk is proposed to go along the north side of Pine Street from Hoyt Street west to Arbor Street. A boardwalk is proposed to span the Shay Drain area. Because the right - of - way is so narrow in some places, Benchmark Engineering, Inc. proposed to have Pine Street reconstructed slightly to the south of where it is at the present time. This change would make room for the sidewalk. There are some areas where the sidewalk will be located to close to landscaping features.

Council discussed this project with City Manager Geuder. The earliest date for construction would be 2006.

7. Michigan Municipal League Workers' Comp Fund Board of Trustees Election

City Manager Geuder reviewed the slate of candidates as presented by the Michigan Municipal League's nominating committee. Both he and Mayor Jardine knew some of the candidates personally. After reviewing the candidates, the following motion was offered:

#7069 – Motion by Pfeifer, second by Heinz, to approve the slate of candidates as offered by the Michigan Municipal League and authorize the City Manager to return the ballot voting for said candidates.

Ayes – 5

Nays – 0

8. Boards and Commissions

A. Planning Commission (PC)

Council reviewed the July 21, 2005 PC meeting minutes. Mayor Jardine announced that the next PC meeting scheduled for 6:00 p.m. on Thursday, August 18, 2005 was cancelled. Mayor Jardine also announced that the next PC meeting is scheduled for 6:00 p.m. on Thursday, September 15, 2005 in the City Council Chambers.

B. Zoning Board of Appeals (ZBA)

Mayor Jardine announced that the next ZBA meeting is scheduled for 5:30 p.m. on Wednesday, August 10, 2005. The meeting will be held in the City Council Chambers.

C. Harbor Commission (HC)

Mayor Jardine announced that the next HC meeting is scheduled for 4:00 p.m. on Wednesday, August 10, 2005. The meeting will be held in the City Council Chambers.

D. Special City Council Meeting

Mayor Jardine announced a Special City Council meeting scheduled for 7:00 p.m. on Thursday, August 4, 2005.

E. Next City Council Meeting

Mayor Jardine announced that the next regular City Council meeting is scheduled for 7:00 p.m., Monday, August 15, 2005. The meeting will be held in the City Council Chambers.

8. Old and New Business

None.

9. Adjournment

With no further business, Mayor Jardine adjourned the meeting at 8:01 p.m.

Approved: August 15, 2005

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Ronald B. McRae, City Clerk

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Jean Jardine, Mayor

City Council Meeting Minutes  
August 1, 2005  
Attachments