

**Harbor Springs City Council Minutes  
August 21, 2006**

Mayor Jardine called the seventeenth 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, Jim Grogan, Mick Heinz, Laura Kors and Dennis Wiggins

Absent: None

Also Present: City Attorney James Ramer, City Manager Fred Geuder, City Police Chief Dan Branson, and City Clerk Ron McRae

2. City Clerk / Comptroller / Treasurer

A. Approval of Minutes

#7201 – Motion by Grogan, second by Wiggins, to approve the August 7, 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:

#7309 – Payroll	P.P.E. 08/06/06	\$ 40,186.26 General Fund 654.40 Major Sts Fund 376.30 Local Sts Fund 422.40 Historical Fund 10,672.55 Electric Fund 6,058.67 W & S Fund 8,502.82 Waterfront Fd 647.58 Equipment Fd
#7310 – A/P	Sales Tax 7/31/06	\$ 4,738.56 General Fund 15,598.44 Electric Fund
#7311 – A/P	Council 8/21/06	\$ 94,298.80 General Fund 218.91 Major Sts Fund 4,874.79 Local Sts Fund 117.77 Police Res Fd 102.26 Historical Fund 56,206.58 Electric Fund 13,390.40 W & S Fund 9,729.92 W.T. Fund 3,116.12 Waterfront Fd 95,372.80 Equipment Fd

#7202 – Motion by Kors, second by Wiggins, to approve the bills in the amount of \$365,286.33.

Ayes – 5  
Nays – 0

THEREFORE, BE IT RESOLVED that claims on voucher numbers #7309, #7310, and #7311, checked by the Finance Committee, in the amount of \$365,286.33 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	\$139,223.62
Major Streets Fund	873.31
Local Streets Fund	5,251.09
Police Reserve	117.77
Historical Fund	524.66
B. A. Construction Fund	.00
Electric Fund	82,477.57
Water & Sewer Fund	19,449.07
West Traverse Fund	9,729.92
Waterfront Fund	11,618.94
Equipment Fund	96,020.38
Trust Fund	.00
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Total	\$365,286.33
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### 3. Citizen Comments

Mayor Jardine asked the three Boy Scouts present to introduce themselves. Gabriel VanLoozen, Michael Sutton and Caleb Walker stated they were working on their Citizenship in the Community Merit Badge.

### 4. Fund Raiser for Ned Keys

City Manager Geuder stated that Ned Keys is a former employee of the Outfitter. Ned has developed a health issue and does not have the funds to pay for his necessary medical treatments. Stephanie Breckenfeld has requested the use of the waterfront area at the tennis courts for an "Ice Cream Fundraiser." The fundraiser will be held August 27, 2006 from 12:30 p.m. to 3:30 p.m.

Council discussed this request. The following motion was offered:

#7203 – Motion by Kors, second by Wiggins, to approve the "Ice Cream Fundraiser", as proposed.

Ayes – 5  
Nays – 0

### 5. Planning Commission Recommendation to Approve Ordinance No. 363

City Manager Geuder stated that City Attorney Ramer has reworked propose Ordinance Number 363, which changes the required set backs on the lots in the Plat of Southard and Crandall's Addition to the Village of Harbor Springs. The front or corner yard set back shall be a minimum of fifteen (15) feet and shall be deemed conforming. Further, the height of the principal building shall not exceed thirty-two (32) feet, an attached garage shall have a corner yard set back of twenty (20) feet, and an attached porch shall not exceed eighteen (18) feet and shall not extend more than seven (7) feet into the required front or corner yard set back.

Councilperson Wiggins disclosed that he owned property in that area. If any Council member thought that this was a “conflict of issue”, Councilperson Wiggins offered to abstain. There were no Council member objections to his voting on this issue. The City Manager also noted that he owned property in this area.

Council discussed proposed Ordinance Number 363 briefly. The following motion was offered:

#7204 – Motion by Kors, second by Grogan, to approve Ordinance Number 363, as presented.

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

6. “T” End in Bluff Estates

City Manager Geuder stated that the Planning Commission recommended Council approval of a “T” End in Bluff Estates, rather than a full cul-de-sac. Bluff Estates is a small development on the southeast corner of Summit and Sargent Streets. The developer plans to use Backus Street to access four proposed lots below Summit Street and one home-owner’s garage that is currently accessed by the platted, but unimproved, Backus Street. A “T” End is currently in use at the north end of Ottawa Street.

Council members discussed the proposed “T” End and Manager Geuder addressed the concerns and questions asked.

Councilperson Kors discussed the concerns of the Planning Commission in making their recommendation for Council to approve the “T” End. After the discussion, the following motion was offered:

#7205 – Motion by Kors, second by Heinz, to approve the “T” End, as proposed by the developer and recommended by the Planning Commission, for the “Bluff Estates” Project.

Ayes – 5  
Nays – 0

7. Harbor Commission Recommendations

A. Tennis Court Repairs

City Manager Geuder stated that the Harbor Commission has recommended that City Council approve the necessary repairs to the waterfront tennis courts. The proposed cost to repair the tennis courts is \$7,884. The proposal includes minor asphalt repairs, new color coatings and lines. Manager Geuder noted that this item was not in the 2006 Budget, but the Waterfront Fund does have the funds available for the project.

Council discussed this issue briefly. The following motion was offered:

#7206 – Motion by Heinz, second by Grogan, to repair the waterfront tennis courts as recommended by the Harbor Commission at a cost of \$7,884. Further, that Hentco Tennis Court Specialist shall be authorized to do the work and have the City Manager execute the contract for the work.

Ayes – 5

B. Floating Dock Repairs

City Manager Geuder stated that in the course of our routine repairs performed by Flotation Docking this last spring, it was brought to our attention that some work was needed beyond the normal “tune-up” the City does on the docks. The proposal to do the repairs to the east floating dock from Flotation Docking Systems is \$13,329. The repairs are:

1. Replace the 20-gauge G210 galvanized sheet steel bottoms on the small head and the finger pier system docks attached to the wave attenuator.
2. Replace the bottoms on the four finger piers attached directly to the wave attenuator dock.
3. Upsize the connector bolts on five finger piers to one inch.

Council discussed the recommendation from the Harbor Commission. After the discussion the following motion was offered:

#7207 – Motion by Grogan, second by Kors, to repair the east floating docks as recommended by the Harbor Commission and presented by Flotation Docking Systems. Further, to authorize the City Manager to execute the contract for the repairs.

Ayes – 5  
Nays – 0

C. Fall Dock Rates

City Manager Geuder stated that the Harbor Commission recommended that City Council approve the same fall dock rates that were approved in 2005 for 2006. The 2005 fall dock rates were changed last year and approved for a one-year trial basis. Harbormaster has stated that the new fall dock rate structure did not increase boat use last fall. Further, Manager Geuder stated that with the proposed repairs, he would not want to expand the program further at this time. Geuder recommended Council approve the Harbor Commission’s recommendation.

Council discussed this issue. Councilperson Wiggins asked, “Why not cut the fall rates for all boats?” Councilperson Kors stated that she would like to see how the boaters react to the new rate structure approved last year now that they know the new structure. After the discussion, the following motion was offered:

#7208 – Motion by Kors, second by Wiggins, to approve the fall dock rates for 2006 at the same level as 2005, as recommended by the Harbor Commission.

Ayes – 5  
Nays – 0

8. Center Street Sidewalk

City Manager Geuder stated that the plans were reworked for the construction of a sidewalk on Center Street from East Lake Street south to Pine Street. The significant difference in the design is that the sidewalk will not be built with a retaining wall and handrails. It has been proposed to fill in the area and re-grade the slope down to the yard.

The homeowners, Kevin and Jennifer Kruzel, have approved the revised plan. Manager Geuder stated that last year the bid price was approximately \$40,000. Harbor Springs Excavating bid the project at \$25,231.65. Further, Manager Geuder stated that two evergreen trees would be lost and a third evergreen will be moved. Manager Geuder proposed to replace the two evergreens. He also proposed to have the City do the finish grade work. Our DPW crew does that well. Manager Geuder estimated the additional cost for the trees and final grading would be \$2,000 to \$3,000.

Mayor Jardine questioned if it would be better to complete this project in the spring rather than the fall. Manager Geuder thought the project would need to be re-bid if the project were to be completed in the spring. Other Council concerns were discussed. Manager Geuder addressed those questions and concerns. After the discussion, the following motion was offered:

#7209 – Motion by Grogan, second by Heinz, to approve the Center Street Sidewalk Project from East Lake Street south to Pine Street, as presented. Further, to authorize the City Manager to execute the construction agreement with Harbor Springs Excavating in the amount of \$25,231.65 to construct the Center Street Sidewalk.

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

#### 9. Additional Electric Rate Study Costs

City Manager Geuder stated that the Electric Rate Study Project costs have exceeded the contractual limits. He stated that City Clerk McRae would address Council member questions.

City Clerk McRae stated that Courtney and Associates have expended the Electric Rate Study Project estimates. Clerk McRae stated that he would like to continue to use the expertise of Courtney and Associates through the Public Hearing process and formulation of the Electric Rate language for adoption by Council. The estimate to do this phase is \$6,000.

Councilperson Wiggins asked if this was not premature because the City has not received the rate model at the present time. Further, Council has not had the opportunity to meet with the City Staff to review the effect of adjusting some of the assumptions used by Courtney and Associates to determine the Electric Rates that they proposed.

Other Council members concurred with Councilperson Wiggin's assessment. Council would prefer not to commit to another \$6,000 towards this project.

By consensus, Council agreed that the City Clerk should use Courtney and Associates when necessary, but would like to review the rate model to amend some of the assumptions to determine if a smaller rate increase is a better course of action.

#### 10. Closed Session

City Manager Geuder recommended that Council go to Closed Session to review the City Attorney's opinion concerning the proposed West Traverse Township Water Contract Amendment.

#7210 – Motion by Heinz, second by Wiggins, to go to Closed Session to review the City Attorney’s opinion concerning the proposed West Traverse Township Water Contract Amendment pursuant to Public Act No. 267 of 1976 (the “Open Meetings Act”), as amended, under Section 8(h).

Ayes - Heinz, Kors, Wiggins, Jardine and Grogan  
Nays - None

Mayor Jardine recessed from “Open Session” to go into “Closed Session” at 8:05 p.m.

Mayor Jardine called the “Open Session” back to order at 8:26 p.m.

No action was taken.

11. Boards and Commissions

A. Zoning Board of Appeals (ZBA)

Council reviewed the August 9, 2006 ZBA meeting minutes. Mayor Jardine announced the next ZBA meeting is scheduled for 5:30 p.m., Wednesday, September 13, 2006 in the City Council Chambers.

B. Harbor Commission (HC)

Council reviewed the August 9, 2006 HC meeting minutes. Mayor Jardine announced the next HC meeting is scheduled for 4:00 p.m., Wednesday, October 18, 2006 in the City Council Chambers.

C. Planning Commission (PC)

Council reviewed the August 17, 2006 PC special meeting minutes and the August 17, 2006 PC regular meeting minutes. Mayor Jardine announced the next regular PC meeting is scheduled for 6:00 p.m., Thursday, September 21, 2006 in the City Council Chambers.

D. Next City Council Meeting

Mayor Jardine noted that the next City Council meeting is scheduled for 7:00 p.m., Tuesday, September 5, 2006 in the City Council Chambers. This meeting may be cancelled depending on the need for the meeting. Manager Geuder stated he would review this with Mayor Jardine prior to the next meeting.

12. Old and New Business

A. Zoning Board of Review

Councilperson Wiggins stated that he has concerns about the treatment that variance petitioners are receiving from some members of the ZBA. He believes that the property owners requesting variances should be treated as customers. Councilperson Wiggins believes that the property owners should be treated with more respect. The ZBA should do better customer service. Further, Councilperson Wiggins understands that the members of the ZBA are volunteers, but the property owners are still customers.

Councilperson Grogan stated that he is also a member of the ZBA. There is nothing wrong with telling an individual "No" more politely, and treating the petitioners as customers.

B. Electric Rate Study

Councilperson Kors stated that the City should have its Electric Rates in place by the November election. The "Stop Overspending Ballot Initiative" will be on the ballot and may be approved by the Michigan Electorate.

13. Adjournment

With no further business, Mayor Jardine adjourned the meeting at 8:46 pm.

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Ronald B. McRae, City Clerk

Approved: September 5, 2006.

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Jean Jardine, Mayor

City Council Meeting Minutes  
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Attachments