

Harbor Springs City Council Minutes
October 4, 2004

Mayor Dika called the twentieth meeting of the Harbor Springs City Council to order at 7:01 pm, in the City Council Chambers at 160 Zoll Street, Harbor Springs, Michigan.

1. Roll Call and Verification of Quorum

Present: Al Dika, Jean Jardine, Laura Kors and Pringle Pfeifer

Absent: None (There is one vacant City Council seat.)

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

2. City Clerk / Comptroller / Treasurer

A. Approval of Minutes

The following changes and corrections were noted:

1. Page 2, Item 2. A 11, the correction for the second sentence reads, "...and the rules be more easily enforced." The correction for the second sentence should read, "...and the rules could be more easily enforced."
2. Page 5, Item 5, the motion reads, "...to proceed with the two road projects, widen East Fairview Street and recap Ann Street..." It should read, "...to proceed with the two road projects, to widen East Fairview Street and to recap Ann Street..."
3. Page 6, Item 9, second paragraph, first sentence reads, "...Council members were concerned about the part year residents getting totes and where the totes would be placed for them." It should read, "...Council members were concerned about the seasonal residents getting totes and where the totes would be placed for them."

#6949 – Motion by Pfeifer, second by Jardine, to approve the September 20, 2004 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:

#7139-A/P	Additional bills aft Council	\$	458.01	General Fund
			1,031.11	Electric Fund
			6.34	Water & Sewer
			172.60	Waterfront Fund
			513.72	Equipment Fund
			46.23	Historical Fund
			4,948.65	W.T.T. Water Fd

#7140 – Payroll	PPE 09/19/04	\$ 12,944.57 General Fund 892.49 Major Streets 310.58 Local Streets 11,157.46 Electric Fund 6,070.79 Water & Sewer 3,417.21 Waterfront Fund 890.35 Equipment Fund 428.06 Historical Fund
#7141-Trust Payouts	Period 09/01/04 to 09/15/04	\$ 48,557.62 Trust Fund
#7142 - A/P	Council Bills, 10/04/04	\$ 26,237.39 General Fund 21.19 Major Streets 4,000.00 Local Streets 123,644.54 Electric Fund 4,591.46 Water & Sewer 2,847.79 Waterfront Fund 1,641.72 Equipment Fund 3,900.00 B.A. Const. Fund 115.84 Historical Fund 94.43 Police Reserves

#6950 – Motion by Kors, second by Pfeifer, to approve the bills in the amount of \$258,940.15.

Ayes – 4
 Nays – 0

THEREFORE, BE IT RESOLVED, that claims on voucher numbers 7139, 7140, 7141, and 7142 checked by the finance committee, in the amount of \$258,940.15 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	\$ 39,639.97
Major Streets Fund	913.68
Local Streets Fund	4,310.58
Electric Fund	135,833.11
Water & Sewer Fund	10,668.59
Waterfront Fund	6,437.60
Equipment Fund	3,045.79
B.A. Const. Fund	3,900.00
Historical Fund	590.13
Trust Fund	48,557.62
Police Reserves	94.43
W.T.T. Water Fund	<u>4,948.65</u>
 Total	 \$ 258,940.15 =====

3. Citizen Comments

Kathy Lott, Executive Director of the Harbor Springs Area Chamber of Commerce (hereinafter referred to as the "Chamber"), thanked Council for the use of Zorn Park for the Chamber's "Harbor Fall Festival" event. She also stated that the Chamber was in the process of wrapping up their "Gazebo Operation". Lott noted that the number of visitors to the Gazebo increased this year. She attributes the increase in visitors to the more visible location on the waterfront.

4. Proposed Sidewalk for Second Street

City Manager Geuder stated that the proposed sidewalk for the south side of Second Street would be completed in the spring of 2005. The cost will be included in the 2005 Budget.

Manager Geuder also noted that the sidewalk was designed to go around trees. The trees may have to be trimmed at the bottom, but not removed. Manager Geuder did state that the City would replace any driveway approaches up to and including the sidewalk. The sidewalks would be four inches thick, however, the approaches would be seven inches thick.

Council reviewed the City Manager's plan, as designed by Benchmark Engineering, and thought this project was a good plan.

5. Proposed State Trunkline Maintenance Contract

City Manager Geuder stated that he had received a memo from the City Clerk recommending Council's approval of the "Resolution to Approve the State Trunk Line Maintenance Contract". The State Trunk Line Maintenance Contract (hereinafter referred to as the "Contract") authorizes the City to maintain M-119 through the City from its east corporate limits to its west corporate limits. The City then bills the State of Michigan Department of Transportation (hereinafter referred to as "MDOT") for the maintenance performed based on a set of rates and charges incorporated or referred to within the Contract on a quarterly basis.

Manager Geuder explained that the City would prefer to have the Contract and maintain M-119 because the maintenance can be performed when it is needed, not when MDOT can do the maintenance. Further, the City usually comes close to breaking even or makes a little money on the maintenance of M-119 each year.

Manager Geuder explained that the Contract expires September 30, 2009. Further, MDOT will pay for fifty percent of the snow removal from the downtown area along Main Street because it is assumed that fifty percent of the snow removed comes from the surface of M-119. It is assumed the other fifty percent of the snow removed comes from the parking and sidewalk areas along M-119.

Manager Geuder and City Clerk McRae Council addressed the concerns from Council concerning the proposed Contract.

#6951 – Motion by Jardine, second by Kors, to approve the "Resolution to Approve the State Trunk Line Maintenance Contract, and to authorize the Mayor and City Clerk to execute the agreement with State of Michigan, Department of Transportation.

Ayes – 4

6. Refunding of the 1994 Building Authority Bonds

City Manager Geuder stated that the City Clerk had the 1994 and the 2002 Building Authority Bonds reviewed to determine if it were feasible to refinance the outstanding debt. It appears that the 1994 Building Authority Bond Issue can be refunded for an approximate savings of \$20,000 over the life of the remaining debt. However, it will not be prudent at the present time to refund the 2002 Building Authority Bond Issue.

The size of the 1994 Building Authority Refunding Bond Issue would only be \$565,000. Robert J. Bendzinski, Bendzinski and Company, stated that the amount being refunded is small. He will see if there is an Investment Banker willing to refund that small of a balance.

7. Resolution to Approve Participation in Exploring Power Supply Opportunities

City Manager Geuder discussed the Michigan Public Power Agency's "Base Load Resource Project" (hereinafter referred to as the "Project") with Council. The purpose of the Project is to determine options for more generation capacity of electricity and the economics and benefits to participate in those options. Manager Geuder recommended that Council approve the proposed "Resolution to Participate in the Michigan Public Power Agency's Base Load Resource Project" at an initial cost not to exceed \$10,000.

#6952 – Motion by Jardine, second by Kors, to approve the "Resolution to Approve Participation in the Michigan Public Power Agency's 'Base Load Resource Project'" at a cost not to exceed \$10,000. Further, to authorize the City Manager to execute the agreement with the Michigan Public Power Agency to participate in the Project.

Ayes – Jardine, Kors, Pfeifer and Dika
Nays – None

8. Planning Commission Alternates

City Manager Geuder stated that City Attorney Ramer researched the question of appointing alternates to the Planning Commission (PC). City Attorney Ramer recommended Council not appoint alternate members to the PC because there is no authorization for that type of appointments. City Attorney Ramer stated that the PC is a body that is created through "enabling legislation" from the State Legislature. There is "enabling legislation" for the appointment of alternate Zoning Board of Appeals members, but not for PC members. Therefore, should the City Council appoint alternate PC members and they approve a controversial project, the opposition to the decision could sue the City based upon the fact that there was not any "enabling legislation" to authorize the appointment of alternate PC members who voted on the proposed project.

Council discussed this issue. It was the consensus of Council to follow the City Attorney's recommendation.

9. Celebration of Halloween

City Manager Geuder stated that Halloween falls on a Sunday this year. It is his recommendation that Harbor Springs have "Trick or Treating" from 6:00 pm to 8:00 pm on Sunday evening, October 31, 2004.

Manager Geuder stated he checked with Petoskey and they are planning to have "Trick or Treating" on the same date and time as he recommended to Council. Council concurred with Manager Geuder's recommendation.

10. Bids on Surplus Vehicles

City Manager Geuder stated that he received bids on the surplus vehicles. They are:

1986 GMC Flatbed Truck	\$3,175.00	Frank Lauer
1992 Dodge Pick Up D350	\$1,350.00	Tri-County Excavating
1997 Jeep	\$4,010.75	Mark Guisinger

City Manager Geuder stated that all of the bids received were higher than the minimum amount requested. He requested Council authorize the sale of the vehicles for the bid amounts.

#6953 – Motion by Pfeifer, second by Kors, to sell the surplus vehicles listed at the following bid prices:

1986 GMC Flatbed Truck	\$3,175.00	Frank Lauer
1992 Dodge Pick Up D350	\$1,350.00	Tri-County Excavating
1997 Jeep	\$4,010.75	Mark Guisinger

Ayes – 4
Nays – 0

11. Wellhead Protection Grant

City Manager Geuder stated that the City received a third grant for the Wellhead Protection Program. The City and Little Traverse Township are working on the same type of grant program. Because the Little Traverse Township Water System and the City's Water System are so close, there is a savings for the two communities in both travel and meeting time. Flies and Vandenbrink Engineering, Inc. is the engineering consulting firm working with the City and Little Traverse Township to meet the requirements of the Wellhead Protection Grant Program. The cost for Phase III is estimated to cost \$6,500. The grant is for \$3,250.00.

Manager Geuder addressed the questions and concerns of Council members. After the discussion, Manager Geuder recommended to Council to authorize acceptance of the third phase of the Wellhead Protection Grant.

#6954 – Motion by Jardine, second by Kors, to authorize acceptance of the Wellhead Protection Grant, Phase III. Further, to authorize the City Manager to execute the Wellhead Protection Grant, Phase III, documents.

Ayes – 4
Nays – 0

12. Tree Move

City Manager Geuder stated that the owner of the property across from Josephine Ford Park requested that the City move a tree that is obstructing the view from his home. Upon the City Manager's inspection of the tree, it was determined that the tree could not be trimmed to improve the view. The owner offered to pay for the moving and replanting of the tree. Manager Geuder provided a picture of the tree from the property in question. Manager Geuder suggested moving the tree to the area near the deer park.

Council discussed this issue with City Manager Geuder. It was the consensus of the Council members to move the tree and replant it at the property owner's expense.

13. Harbor Heroes Dinner

City Manager Geuder stated that to order tickets for the Harbor Heroes Dinner scheduled for October 20, 2004, Council members need to confirm the number of tickets they need.

14. Boards and Commissions

A. Zoning Board of Appeals (ZBA)

Mayor Dika announced the next regular ZBA meeting is scheduled for 5:30 pm, Wednesday, October 13, 2004. The meeting will be held in the Council Chambers.

B. Planning Commission (PC)

Mayor Dika announced the next PC meeting is scheduled for 6:30 pm, Thursday, October 21, 2004. The meeting will be held in the Council Chambers.

C. Harbor Commission (HC)

Mayor Dika announced the next HC meeting is scheduled for 4:00 pm, Wednesday, October 13, 2004. The meeting will be held in the Council Chambers.

D. Next City Council Meeting

The next City Council meeting is scheduled for 7:00 pm, Monday, October 18, 2004. The meeting will be held in the Council Chambers at 160 Zoll Street, Harbor Springs, MI 49740.

15. Old and New Business

A. Michigan Municipal League (MML) Conference

Councilperson Kors thanked Council for the opportunity to represent the City at the MML Conference held at the Grand Hotel on Mackinaw Island. She stated that she believed that we are very lucky to be in Harbor Springs because we do not share the same problems that many other communities are having.

B. Painting the Windows of the Old City Hall

Council discussed with City Manager Geuder the need to keep the appearance of the old City Hall fairly decent. Manager Geuder stated that he did not want to put a lot of money into the old City Hall knowing that the lease agreement is almost worked out with the Harbor Springs Area Historical Society and that they will be doing major renovations to the structure.

Council directed Manager Geuder to look at the situation with the windows and see what he could do to get them painted before cold weather set in.

C. Saturday Events for October 2, 2004

Council discussed how busy it was in Harbor Springs on Saturday. The Harbor Springs Historical Society had the Harbor Pointe Lighthouse Tour for a fundraiser. The Chamber had their "Harbor Fall Festival". Saturday evening the "Marching Band Competition" was held at Ottawa Stadium.

Council members were impressed with how well all of the Marching Bands did.

D. Recycling Bins

Council members discussed the passing out of the recycling bins. They noted that some of the recycling bins were placed at homes where the owners were out of town. Further, some of the homes out by the west end of Glenn Drive, Dellwood Lane and the west end of Second Street did not get bins delivered.

Manager Geuder stated that not every home received a bin. If anyone had questions, they could call City Hall. Each individual case would be reviewed.

16. Adjournment

With no further business, Mayor Dika adjourned the meeting at 8:05 pm.

Approved: October 18, 2004

Ronald B. McRae, City Clerk

Alan J. Dika, Mayor

City Council Meeting Minutes
October 4, 2004
Attachments