

**Harbor Springs City Council Minutes
October 16, 2006**

Mayor Jardine called the twentieth 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, DPW Superintendent Rick Ward and City Clerk Ron McRae

2. City Clerk / Comptroller / Treasurer

A. Approval of Minutes

Councilperson Grogan stated that the second sentence in Item 4A, page 3, sixth paragraph, should be deleted.

#7221 – Motion by Grogan, second by Heinz, to approve the October 2, 2006 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:

#7324 – Payroll	P.P.E. 10/01/06	\$ 36,408.75 General Fund 892.89 Major Sts Fund 212.83 Local Sts Fund 422.40 Historical Fund 10,445.07 Electric Fund 5,613.67 W & S Fund 4,243.74 Waterfront Fd 1,323.53 Equipment Fd
#7325 – A/P	Sales Tax 9/20/06	\$ 3,963.57 General Fund 14,084.19 Electric Fund
#7326 – A/P	Council 10/16/06	\$ 39,750.10 General Fund 5,285.25 Major Sts Fund 58,284.76 Electric Fund 27,244.95 W & S Fund 8,705.48 W.T. Water Fd 939.79 Waterfront Fd 7,021.16 Equipment Fd

#7222 – Motion by Kors, second by Wiggins, to approve the bills in the amount of \$224,842.13.

Ayes – 5

Nays – 0

THEREFORE, BE IT RESOLVED that claims on voucher numbers #7324, #7325, and #7326, checked by the Finance Committee, in the amount of \$224,842.13 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	\$ 80,122.42
Major Streets Fund	6,178.14
Local Streets Fund	212.83
Police Reserve	.00
Historical Fund	422.40
B. A. Construction Fund	.00
Electric Fund	82,814.02
Water & Sewer Fund	32,858.62
West Traverse Fund	8,705.48
Waterfront Fund	5,183.53
Equipment Fund	8,344.69
Trust Fund	.00

Total	\$ 224,842.13
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3. Citizen Comments

None.

4. Public Hearing on the Vacation of Myrtle Street

Mayor Jardine called the Public Hearing on the issue of Vacating the City's interest in Myrtle Street to order at 7:03 p.m.

City Manager Fred Geuder reviewed where Myrtle Street is located and the properties that may be affected by the proposed vacation. Manager Geuder stated that it appears that Myrtle Street exists only on the tax maps. By vacating the area of property in question, it would allow the adjacent property owners to add that property to their lots.

City Attorney Ramer stated that, in his opinion, the adjacent property owners would split the Myrtle Street area as Manager Geuder has indicated on the map presented to Council.

Mayor Jardine asked if there were any Council member comments. She then asked for any comments from the public. There were no comments given.

Mayor Jardine closed the Public Hearing on the Vacation of Myrtle Street at 7:05 p.m.

5. Consideration to Vacate Myrtle Street

Councilperson Wiggins believes that the vacation of Myrtle Street will clean up the property descriptions and lot lines in the area and offered the following motion:

#7223 – Motion by Wiggins, second by Heinz, to adopt a Resolution vacating Myrtle Street, as recommended by the City Manager and City Attorney, and as presented by the City Manager.

Ayes – Heinz, Kors, Wiggins, Jardine and Grogan

6. Consideration of Ordinance No. 365

Mayor Jardine stated that Council would not open the discussion on this issue to the public.

City Manager Geuder stated that this issue was tabled at the last meeting.

Councilperson Wiggins discussed how he had read about Petoskey actively seeking tax abatements and projects that will provide for more jobs and help the economy. He believed that Ordinance No. 365 could help the economy and provide more jobs.

Councilperson Heinz stated that he was all for helping the downtown and helping the economy, but did not want to open a door to three story buildings to one area for one individual and then limit others.

Councilperson Grogan questioned the process to allow a three-story hotel to be constructed. He asked if the Planning Commission would have to look at rezoning the parking lot from TR-Transitional Zoning District to the CBD – Central Business District.

Manager Geuder concurred that it would, then reviewed the rest of the procedure for an approval of a project that may be considered a “Planned Development”.

Councilperson Grogan stated that he believed that the Planning Commission should hold a public hearing and asked if the word “may” could be changed to “shall” in Section (6)(b). Further, he thought that City Council should be able to decide to hold a public hearing or not. He asked if the word “shall” could be changed to “may” in Section (6)(d).

City Attorney Ramer stated that proposed Ordinance No. 365 could be changed to require the Planning Commission to hold a public hearing. However, enabling legislation requires that the body that gives final approval of a “Planned Development” in an overlay district must hold a public hearing.

#7224 – Motion by Grogan, second by Wiggins, to approve Ordinance No. 365, as presented.

#7225 – Motion by Grogan, second by Kors, to amend proposed Ordinance No. 365, as follows:

- A. Section (6)(b) to read, “The Planning Commission shall review the Application for a Planned Development in the CBD PD District, and shall hold a public hearing thereon before making a recommendation to the City Council as provided for in subparagraph (c).
- B. Section (6)(c) to read, “After the public hearing, as required by subparagraph (b), the Planning Commission shall prepare a recommendation to the City Council to approve, approve with conditions, or to deny such Planned Development in the CBD PD District. If the proposed Planned Development is a special land use, the Planning Commission in its transmittal of a recommendation for the Planned Development shall include its findings on the specific criteria of approval for special land uses as provided in Article 21.

Ayes – 5
Nays – 0

Motion No. 7224, due to the approval of the amendment in Motion 7225, is restated as follows:

#7224 – Motion by Grogan, second by Wiggins, to approve Ordinance No. 365, as amended by the approval of Motion No. 7225.

Ayes – Kors, Wiggins and Grogan
Nays – Jardine and Heinz

Mayor Jardine stated her reasons for voting to deny approval of Ordinance No. 365.

7. Consideration of the Old City Hall Lease with the Harbor Springs Area Historical Society

Councilperson Grogan stated that he would not comment or vote on this issue because he helped to negotiate the Old City Hall Lease for the Harbor Springs Area Historical Society (the “Lease”).

City Manager Geuder stated that the Harbor Springs Area Historical Society (the “HSAHS”) had met the terms of an agreement that would allow approving the Lease. The Lease would allow the HSAHS to proceed with the renovation of the Old City Hall to become a museum. Manager Geuder stated that he recommends City Council approval of the Lease.

Linda Young, the Executive Director of the HSAHS, thanked everyone for their help in achieving the goals to meet the terms of the Agreement that would allow approval of the Lease. Young also gave a brief history of the efforts of the HSAHS to get to this point and noted that the goals were achieved two months early.

#7226 – Motion by Heinz, second by Kors, to approve the Old City Hall Lease with the Harbor Springs Area Historical Society, as presented.

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

8. Recess

Mayor Jardine recessed the City Council meeting at 7:32 p.m.

Mayor Jardine called the City Council meeting back to order at 7:40 p.m.

9. Approval of Election Inspectors for the November 7, 2006 General Election

City Manager Geuder stated that the City Clerk is asking for approval of the Election Inspectors for the November General Election.

#7227 – Motion by Heinz, second by Grogan, to approve the Election Inspectors for the November 7, 2006 General Election. Further, to authorize the City Clerk to make further appointments in the event of a cancellation.

Ayes – 5
Nays – 0

10. Discussion on the Arbor Street and Pine Street Project

City Manager Geuder stated the proposed project includes the resurfacing of Arbor Street from the Pine Street intersection south to East Bluff Drive and the reconstruction of Pine Street from Arbor Street east to Hoyt Street. There will be curbs and modified curbs constructed where necessary. The water main will be rebuilt from Arbor Street east to Hoyt Street, the sanitary sewer main will be rebuilt from just west of the Oak Street intersection east to Hoyt Street. The culvert will be enlarged at the Shay Drain under Pine Street and some storm sewers and manholes will be replaced and added.

Manager Geuder stated that the Engineers are estimating the road and drainage costs to be \$275,000, the water main replacement to be \$70,000 and the sanitary sewer main replacement to be \$60,000. The total costs for the project are estimated at just over \$400,000.

Department of Public Works (DPW) Superintendent Rick Ward reviewed the reasons for the road and drainage improvements. He also discussed the conditions of the water and sewer mains and explained that they should be replaced at this time due to the fact that the street will be torn up.

Manager Geuder stated that the proposed sidewalk is not part of this project at the present time. If the sidewalk were to be constructed he believes that the cost would be approximately \$75,000.

Council discussed the proposed project with Manager Geuder and Superintendent Ward.

Jeff Ford asked if the City was going to move any of the electric poles and asked where the sidewalk was planned to be located. Manager Geuder stated that he did not anticipate any electric improvements or changes and the sidewalk was planned to be located on the north side of Pine Street at some time in the future.

11. Boards and Commissions

A. Zoning Board of Appeals (ZBA)

Council reviewed the October 11, 2006 ZBA meeting minutes. Mayor Jardine announced the next ZBA meeting is scheduled for 5:30 p.m., Wednesday, November 8, 2006 in the City Council Chambers.

B. Harbor Commission (HC)

Mayor Jardine announced the next HC meeting is scheduled for 4:00 p.m., Wednesday, October 25, 2006 in the City Council Chambers.

C. Planning Commission (PC)

Mayor Jardine announced the next regular PC meeting is scheduled for 6:00 p.m., Thursday, October 19, 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., Monday, November 6, 2006 in the City Council Chambers.

12. Old and New Business

A. 2007 Budget

Councilperson Wiggins stated that the time to consider the 2007 Budget was approaching. He reminded City Manager Geuder and City Clerk McRae that he was looking for a different format to be able to see trends.

B. DPW Superintendent Ward Presentation of the History of the Harbor Springs Water System

Councilperson Kors stated that she had heard positive comments about Superintendent Ward's presentation to the Historical Society on the history of the City's water system.

13. Adjournment

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

Ronald B. McRae, City Clerk

Approved: November 6, 2006.

Jean Jardine, Mayor

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Attachments