

Harbor Springs City Council Minutes
December 6, 2004

Mayor Jardine called the second 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, Mick Heinz, Jim Grogan, Laura Kors and Pringle Pfeifer

Absent: None

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

2. City Clerk / Comptroller / Treasurer

A. Approval of Minutes

The following corrections were noted to the November 15, 2004 City Council Meeting minutes:

- a. Page 3, Item 5, fourth paragraph, first sentence reads, "To facilitate the two hour dock improvements..." It should read, "The two hour dock improvements..."
- b. Page 5, Item 6, the motion number read, "6964". It should read, "6972".

#6973 – Motion by Pfeifer, second by Kors, to approve the November 15, 2004 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:

#7154-Payroll	PPE 11/14/04	\$ 25,456.06 General Fund 278.08 Major Streets Fd 95.37 Local Streets Fd 12,156.14 Electric Fund 6,407.23 Water & Sewer 258.07 Waterfront Fund 237.72 Equipment Fund 441.37 Historical Fund
#7155 – Trust Payouts	11/01-11/15/04 Collection	\$ 3,4,93.96 Trust Fund

#7156 – Payroll	PPE 11/28/04	\$ 5,881.19 General Fund 564.77 Major Streets Fd 223.29 Local Streets Fd 12,402.96 Electric Fund 5,513.99 Water & Sewer 1,152.62 Waterfront Fund 345.08 Equipment Fund 441.37 Historical Fund
#7157 - A/P	Council Bills, 12/06/04	\$ 40,825.85 General Fund 6.17 Major Streets Fd 23,135.59 Local Streets Fd 120,068.86 Electric Fund 5,634.24 Water & Sewer 883.11 Waterfront Fund 2,916.94 Equipment Fund 18,100.00 B.A. Const Fd 212.74 Historical Fund

#6974 – Motion by Heinz, second by Grogan, to approve the bills in the amount of \$287,132.77.

Ayes – 5
 Nays – 0

THEREFORE, BE IT RESOLVED, that claims on voucher numbers 7154, 7155, 7156, and 7157 checked by the finance committee, in the amount of \$287,132.77 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	\$ 72,163.10
Major Streets Fund	849.02
Local Streets Fund	23,454.25
Electric Fund	144,627.96
Water & Sewer Fund	17,555.46
Waterfront Fund	2,293.80
Equipment Fund	3,499.74
B.A. Construction Fund	18,100.00
Historical Fund	1,095.48
Trust Fund	<u>3,493.96</u>
 Total	 \$ 287,132.77 =====

3. Citizen Comments

Michael Smelt, 302 Perry Street, reviewed the concerns he has had over complaints about his dog's barking. He stated that he reviewed the ordinance. In Smelt's opinion, the ordinance is very vague on when the dog's barking becomes a nuisance. He requested that Council have the ordinance revisited and to more clearly define when a dog's bark becomes a nuisance.

City Manager Geuder suggested having City Attorney Ramer and Police Chief Branson review the ordinance in question. After their review, Council could review

the recommendations of the City Attorney and the Police Chief. Council concurred with the City Manager's recommendation.

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4. Planning Commission Recommendation to Approve a Lot Split

City Manager Geuder stated that the Planning Commission (PC) recommended that City Council approve a lot split at 442 West Third Street. The lot to be split is in the R-1-C Zoning District. The minimum width for lots in this zoning district is sixty-five feet. However, this lot split will create two fifty-two and eight tenths (52.8) feet lots. The lot size proposed is the platted lot size in that neighborhood.

City Council must approve or deny the lot split proposed because the two lots that would be created are non-conforming lots due to the fact that the proposed widths are not as wide as the zoning code requires. A house sits on the west lot and an accessory building sits on the east lot. Manager Geuder also stated that the PC placed a condition in their recommendation that the barn on east lot be removed as a condition to the approval of the lot split approval. Manager Geuder recommended Council approve the proposed lot split as recommended by the PC.

Councilperson Pfeifer stated that she believes that Council should place a second condition on the lot split, if approved. She would like to create a condition in which no variance could be requested to build on the west lot (Lot 6). She believes that the purchaser of the lot should live with the setbacks if the purchaser buys the lot knowing what the zoning requirements are.

Dennis Wiggins and his wife addressed the issue of a variance restriction with the Lot Split proposed. They stated that they did not wish to have a condition removing their ability to request a variance on Lot 6. It was their belief that it would be more in keeping with the neighborhood to be able to build a wider home than twenty-four feet. There is approximately twenty-six feet from the pavement to the lot line. That space added to a required set back of twenty feet for a corner side yard setback would keep the house forty-six feet from the pavement. They passed around pictures of the area in question, and pictures of the style of homes they wished to build on the two lots. The Wiggins did not have a problem with the required set backs on Lot 7.

Councilperson Heinz did not believe that Council should make "no variance" on the west lot a condition to the lot split approval. He believed that Council should not attempt to take away the purchaser's right to seek a variance. The Zoning Board of Appeals (ZBA) can address a variance question.

City Attorney Ramer stated that the City Council should not take away a right as a condition to a motion. He did state that Council could set specific linear requirements on a lot as a deed restriction.

#6975 – Motion by Heinz, second by Grogan, to approve the lot split at 442 West Third Street for Robert Lewis, as recommended by the Planning Commission, including the condition that the accessory building on Lot 7 be removed.

Ayes – Kors, Jardine, Grogan and Heinz

Nays - Pfeifer

5. H.A.R.B.O.R., Inc., Funding Request

City Manager Geuder stated that H.A.R.B.O.R., Inc. requested funding for their programs. They would like the money to be used toward the "Recreation and Open Space Initiative". Manager Geuder introduced Danna Widmar, Executive Director of H.A.R.B.O.R., Inc., to Council. Manager Geuder stated that he would recommend that Council approve an appropriation of \$5,000.

Council discussed the request for funds with Widmar. She addressed Council members' questions. After the discussion, the following motion was offered:

#6976 – Motion by Kors, second by Pfeifer, to approve a contribution of \$5,000 to H.A.R.B.O.R., Inc., from the Electric Fund, as recommended by the City Manager.

Ayes – 5
Nays - 0

6. Resolution to Authorize Issuance of Refunding Bonds

City Manager Geuder stated that the City Clerk needs Council to approve the "Bond Authorizing Resolution, General Obligation Limited Tax Refunding Bonds". City Clerk McRae informed Council that he received word from the Department of Treasury that they would deny our request to issue Refunding Bonds because the Building Authority Audit was late. It was submitted after the City's Audit.

According to Bendzinski, the denial would cause another month's delay because a long application form would have to be submitted and a fee of \$400 paid. This would cause the bonds to be sold at a higher interest rate than today because the interest rates are on the way up. The City's financial consultant, Robert J. Bendzinski, recommended the City issue the Refunding Bonds, instead of the Building Authority, pursuant to State Law. The ability to do this was confirmed by our bond attorney, Joel Piell of Miller, Canfield, Paddock and Stone, PLC.

By the City issuing the Refunding Bonds without going through the Building Authority, the bonds would be sold this week on either Thursday or Friday, keeping the interest rates down. Unfortunately, the City will have to absorb some higher interest rates. However, the City will still be able to sell the issue with a significant amount of savings.

City Manager Geuder recommended that Council approve the "Bond Authorizing Resolution".

#6977 – Motion by Kors, second by Heinz, to approve the "Bond Authorizing Resolution, General Obligation Limited Tax Refunding Bonds" to refund the 1994 Building Authority Bonds issued to build the DPW Building, and to authorize the City Manager and the City Clerk to execute the bond documents as prepared by Miller, Canfield, Paddock and Stone, PLC, the City's Bond Consul.

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

7. Resolution to Authorize the Sale of Smucker's Stock

City Manager Geuder stated that the City was requested to either sell the thirteen shares of Smucker's common stock or purchase eighty-seven shares. Manager Geuder stated that municipalities are not supposed to own stock pursuant to State Law.

City Clerk McRae stated that the Police Reserves, before their finances were under City control, were given a donation of Proctor and Gamble stock. The stocks paid an annual dividend of about \$1,300 per year. A few years ago, Proctor and Gamble

sold Jiffy Peanut Butter to J. M. Smucker Company. The payment for the Jiffy Peanut Butter Division was thirteen shares of Smucker's common stock.

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City Clerk McRae stated that in order to sell the shares of stock, Council needed to adopt the "Resolution to Sell Smucker's Stock for the City of Harbor Springs Police Reserves" (the "Resolution"). The Resolution authorizes the City Manager and the City Clerk to execute the order to sell the shares of stock.

City Manager Geuder recommended Council approve the Resolution. After a brief discussion, the following motion was offered:

#6978 – Motion by Pfeifer, second by Grogan, to approve the "Resolution to Sell Smucker's Stock for the City of Harbor Springs Police Reserves".

Ayes – 5
Nays – 0

8. Introduction of the 2005 Proposed Budget

City Manager Geuder stated that the Council has a copy of the 2005 Proposed Budget. He briefly reviewed some of the highlights in the Budget document. Manager Geuder stated Council members would receive a more complete budget document for the Budget Work Session. The Budget Work Session is scheduled for 7:00 pm, Monday evening, December 13, 2004.

9. Council Meeting Schedule for 2005

City Manager Geuder reviewed the proposed City Council Meeting schedule for 2005. He did note that there were three Tuesday meetings planned. Because the New Years Day Holiday will be celebrated on Monday, January 3, 2005, Manager Geuder planned the first January meeting for Tuesday, January 4, 2005.

Council reviewed the City Council Meeting schedule as proposed by the City Manager. City Council, by consensus, approved the City Council Meeting schedule. The schedule can be changed as needed.

10. City Manager's Discussion on Public Comments He Receives

City Manager Geuder informed Council members that whenever he receives letters from individuals, he passes those letters along to all of the Council members. Whenever one Council member requests material, copies of documents, he copies all Council members with the request and information.

11. Boards and Commissions

A. Zoning Board of Appeals (ZBA)

Mayor Jardine announced the next regular ZBA meeting is scheduled for 5:30 pm, Wednesday, December 8, 2004. The meeting will be held in the Council Chambers.

B. Planning Commission (PC)

Council reviewed the November 18, 2004 PC meeting minutes. Mayor Jardine announced the next PC meeting is scheduled for 6:30 pm, Thursday, December 16, 2004. The meeting will be held in the Council Chambers.

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C. Harbor Commission (HC)

Mayor Jardine announced the next HC meeting is scheduled for 4:00 pm, Wednesday, December 8, 2004. The meeting will be held in the Council Chambers.

D. Training

City Manager Geuder announced that Planning and Zoning training for the Planning Commissioners and the Zoning Board of Appeals members is scheduled for December 15, 2004. Our Planning Consultant, Larry Nix, will do the training session. City Council members are welcome to attend.

E. Appointments

Mayor Jardine stated that she would like to make the following appointments and reappointments, with Council concurrence, this evening. They are:

<u>Board or Commission Name</u>	<u>Person</u>	<u>Term Ending Date</u>
Board of Review (3-year terms)	George Kilborn	01/01/07
	Joyce Shagonaby	01/01/08
	Nancy Lasley (Alternate)	01/01/08
Planning Commission (3-year terms)	Peter Sears	03/01/08
	Andrew Bowman	03/01/08
	Fred Walstrom	03/01/08
	Pringle Pfeifer	Council Representative
Zoning Board of Appeals (3-year terms)	Robert Thoma	04/02/08
	Cecelia Johnston (Alternate)	01/01/08
	Laura Kors (Alternate)	08/17/08
	Nancy Kenyon	08/17/08
	Jim Grogan	Council Representative
Harbor Commission (4-year terms)	Jane Ramer	01/01/09
	Fred Rachwitz	01/01/09
	Bill McCullough	01/01/09
	Tom Graham, Jr.	01/01/08
	Al Dika	Mayor's Designee
Downtown Development Authority (4-year terms)	Andy Bultman	01/01/09
	Sandy Baker	01/01/09
	Pam Pfeifle	01/01/09
	Rob Mossburg	01/01/09
	Laura Kors	Council Representative
Harbor Springs Building Authority	Fred Geuder	05/21/08

(3-year term)

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Harbor Springs Area Sewage Disposal Authority (3-year terms)	Ron McRae	07/01/08
H.A.R.B.O.R., Inc.	Jean Jardine Al Dika	Mayor Mayor's Designee

There were no Council objections to the above appointments and reappointments.

F. Next City Council Meeting

The next City Council meeting is scheduled for 7:00 pm, Monday, December 13, 2004. The meeting will be a special meeting to review the 2005 Proposed Budget and held in the Council Chambers at 160 Zoll Street, Harbor Springs, MI 49740.

The next regular City Council meeting is scheduled for 7:00 pm, Monday, December 20, 2004. The meeting will be held in the Council Chambers at 160 Zoll Street, Harbor Springs, MI 49740.

12. Old and New Business

A. Election

Councilperson Kors commented on the thank you note received by the City on how the Clerk's office worked with Hillside Apartments to make sure that the senior citizens living there had the opportunity to vote in the November 2, 2004 general election.

B. Trucking Regulations

Councilperson Kors read Jason Allen's comments on the proposed trucking regulations. To her, it appears that Jason Allen said the approved legislation was a compromise between the trucking industry and special interest groups.

C. Old and New Business Items

Councilperson Pfeifer asked the City Manager to keep a record or list of the status of "Old and New Business" items that Council members bring up during the City Council meetings. Manager Geuder stated that he would maintain the list.

13. Adjournment

With no further business, Mayor Jardine adjourned the meeting at 8:10 pm.

Ronald B. McRae, City Clerk

Approved: December 20, 2004

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Attachments

Jean Jardine, Mayor