

Harbor Springs City Council Minutes December 10, 2007

Mayor Jardine called the third 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. Mayor Jardine announced that this meeting was a special meeting held for the purpose of a budget work session on the Proposed 2008 Financial Plan and Budget Document.

1. Roll Call and Verification of Quorum

Present: Jean Jardine, James C. Grogan, Michael K. Heinz, Laura Kors and Pringle Pfeifer

Absent: None

Also Present: City Manager Frederick W. Geuder, City Assessor/Zoning Administrator Tim Grimm, Electric Superintendent Dennis Ory, DPW Superintendent Rick Ward and City Clerk Ronald B. McRae

2. Budget Work Session

City Manager Geuder discussed his budget message. He reviewed his concerns relative to the City's millage rate becoming reduced to a level that it will not generate sufficient revenues to meet the needs of the City. Manager Geuder discussed some ways to create a larger difference between the amount of millage levied and the Headlee Amendment maximum millage allowed. Manager Geuder also addressed the proposed projects and capital expenditures planned for 2008.

Manager Geuder reviewed the changes in the operations of the Ice Rink, Sled Hill and Skate Park due to new personnel running them. He also discussed other recreational programs that the City operates, such as the Beach. Manager Geuder discussed alternative methods for raising funds for curbside recycling, brush and leaf pickup and composting operations.

Manager Geuder discussed the higher legal fees for 2007 as a direct result of the Woods lawsuit over the Hotel. Council asked if the legal fees for 2008 were sufficient. City Clerk McRae stated that the proposed legal fee budget amount was based on discussions with the City Attorney.

Council members questioned the effect of the Headlee Amendment and Proposal A on the City's ability to generate tax revenues. City Assessor Grimm reviewed the process of capping and uncapping property values and the effect of the Headlee Amendment on the tax rates and the effect of Proposal A on property values for taxation purposes.

The use of "speed bumps" was questioned by Council. Would they help enforce speed limits or would they create more problems in other areas, such as liability and damage claims and noise complaints. Chief Branson said he brought up the question only because he hears a number of complaints each year. Manager Geuder stated he does not recommend speed bumps, and the consensus of Council was to not consider them.

Chief Branson also discussed purchasing the radar trailer. He has rented one for the last six or seven years. He would use contributed funds to make the purchase. Council discussed the pros and cons for the purchase of the radar trailer.

Councilperson Kors questioned the fact that the purchase of the police vehicle and meter reader truck was not budgeted. She asked if it would not be more prudent to purchase the vehicles, especially the police vehicle, this year due to reduced costs and safety concerns because of age.

Councilperson Grogan questioned the need to put some monies in the Electric Budget to reserve funds for the upcoming substation and line upgrade projects needed.

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Councilperson Pfeifer asked if something more could be done to offset some of the recreation costs. She suggested that perhaps the City of Charlevoix could be contacted to determine what they are doing.

Councilperson Heinz questioned the effect of the Sewer Authority's proposed cost increases on the City's sewer rates. Manager Geuder stated that we should get a full year of billing on the newly adopted rates and review those rates in 2008 or 2009. At the current time there is no recommendation to increase either the water or sewer rates.

The proposed purchase of new radio controls for the City's well houses was discussed. Superintendent Ward reviewed the need for the new radio controls. It is due primarily to the need to upgrade to newer technology.

Police Chief Branson reviewed the need to upgrade the video cameras for two of the police vehicles. Again, the need comes from newer technology.

City Manager Geuder stated that he would review Council's comments. He would consider changes to the proposed 2008 Financial Plan and Budget Document based on the discussion of the Council.

3. Adjournment

With no further business, Mayor Jardine adjourned the meeting at 9:02 pm.

Ronald B. McRae, City Clerk

Approved: December 17, 2007

Jean Jardine, Mayor