

October 19, 2015

Mayor Pro-Tem Dika stated that the Mayor has requested him to run the City Council Meeting this evening due to her voice being very impaired.

Mayor Pro-Tem Dika called the twenty-first meeting of the eighty-second Harbor Springs City Council to order at 7:00 p.m., in the City Council Chambers at 160 Zoll Street, Harbor Springs, Michigan.

1. Roll Call and Verification of Quorum

City Council:

Present: Pringle Pfeifer, Matt Bugera, John L. Cupps, Alan J. Dika and Jeffrey V. James

Absent: None

City Clerk McRae stated that a quorum was present.

Also Present: City Manager Thomas C. Richards, City Attorney James T. Ramer, Police Chief Daniel J. Branson and City Clerk Ronald B. McRae

2. City Clerk / Comptroller / Treasurer

A. Approval of Minutes

It was noted that the September 29, 2015 City Council Meeting minutes had an error. In Item 2, page 1, the first paragraph, last sentence reads, "...on or before September 16, 2015." It should read, "...on or before October 17, 2015."

#8284 – Motion by Pfeifer, second by James, to approve the minutes of the September 21, 2015 City Council Meeting as read and the minutes of the September 29, 2015 special City Council Meeting as amended.

Ayes – 5

Nays – 0

Motion carried.

B. Approval of Bills

I have examined the bills appearing on the vouchers listed below and recommend they be allowed and payment made from the following funds:

<u>Voucher</u> <u>Number</u>	<u>To or For</u>	<u>Description</u>	<u>Fund</u>	<u>Amount</u>
8279	Payroll	P.P.E. 9/20/15	General	\$ 40,176.62
			Major St.	465.64
			Local St.	207.74
			Historical	560.88
			Electric	12,716.81
			Water & Sewer	4,819.23
			Waterfront	4,840.28
			Equipment	1,892.81

<u>Voucher Number</u>	<u>To or For</u>	<u>Description</u>	<u>Fund</u>	<u>Amount</u>
8280	WIRE	MPPA 9/22/15	Electric	\$ 28,293.69
8281	A/P	No Council 10/5/15	General Major St. Historical DDA Electric Water & Sewer W.T. Water Waterfront Equipment	\$ 16,255.64 999.81 75.98 1,164.50 14,408.86 30,082.65 9,547.86 5,675.35 4,314.37
8282	Payroll	P.P.E. 10/4/15	General Major St. Local St Historical Electric Water & Sewer Waterfront Equipment	\$ 55,334.73 1,035.51 23.88 560.88 12,105.20 4,318.83 4,372.42 2,285.93
8283	A/P	Payouts 9/16-9/30/15	Trust	\$ 33,389.51
8284	WIRE	Sales Tax 9/30/15	General Electric	\$ 5,035.21 15,519.80
8285	A/P	Council 10/19/15	General Historical Water & Sewer Waterfront Equipment	\$ 27,318.60 6.08 44,984.08 6,051.10 3,455.76
8286	WIRE	MPPA 10/5/15	Electric	\$ 26,187.54
8287	WIRE	MPPA 10/12/15	Electric	\$ 23,731.47
8288	WIRE	MPPA 10/19/15	Electric	\$ 45,411.61
8289	WIRE	MPPA 10/1/15 Combined	Electric	\$ 61,138.23

THEREFORE, BE IT RESOLVED that claims on vouchers 8279, 8280, 8281, 8282, 8283, 8284, 8285, 8286, 8287, 8288 and 8289 as checked by the Finance Committee, in the amount of \$702,492.39 be allowed for payment, and the Mayor and the City Manager are hereby authorized to execute warrants to be drawn on the following funds:

General	\$144,120.80
Major St.	2,500.96
Local St.	231.62
Historical	1,203.82
DDA	1,164.50
Electric	393,241.18
Water & Sewer	84,204.79
W.T. Water	9,547.19
Waterfront	20,939.15
Equipment	11,948.87
Trust	33,389.51
Totals	----- \$ 702,492.39 =====

#8285 - Motion by Dika, second by Bugera, to approve the bills in the amount of \$702,492.39.

Ayes – 5

Nays – 0

Motion carried.

3. Citizen Comments

City Manager Richards stated that he received two e-mails, one from Jim Peery and one from Margaret Tvedten concerning parking policies.

4. City Manager's Section

A. Selection of a Healthcare Plan for the December 1, 2015 through the November 30, 2016 plan Year

City Manager Richards stated that the City can not re-insure itself with the healthcare plan that it had for the last year. Blue Cross Blue Shield of Michigan mapped the City to a similar plan, but with the changes provided by the Affordable Care Act (the "ACA"). The major difference between the plans is the exposure to the employees for potential out-of-pocket cost. Last years maximum out of pocket expenses for a single person was \$1,000 and for a family was \$2,000. The new plan has an out of pocket maximum of \$6,600 for a single person and \$13,200 for a family. Further, premiums are increasing approximately 4%.

City Manager Richards stated that the City met with the International Brotherhood of Electrical Workers, at their request. The City was asked for some census data, but no input on the proposed or alternate coverage was received. The census data was provided as requested.

City Manager Richards stated that the City premiums may be going to increase approximately 4%, but the employee share of the healthcare insurance premiums goes from 85% for the employer and 15% for the employee to 80% for the employer and 20% for the employee on all premiums after December 31, 2015 according to the bargaining unit agreements. City Manager Richards explained that City Council should approve this action tonight because the City has to submit its paperwork for the new healthcare plan on November 1, 2015.

After a brief discussion, the following motion was offered:

#8286 – Motion by James, second by Cupps, to enroll the City in the new Platinum 250 Blue Cross Blue Shield Healthcare Plan.

Ayes – 5
Nays – 0

Motion carried.

B. Proposed Airport Lease Agreement

City Manager Richards stated that the Airport Authority has requested approval to assign the 1991 lease of hangar property to a new lessor, Harbor Hangar 700, LLC.

City Manager Richards reviewed the background of this lease. Stewart A. Hayes acquired the lease originally from the City and the Airport Authority. In 1992 the lease was assigned to JOC. JOC is seeking to assign its interest in the lease to Harbor Hangar 700, LLC.

Without any action to terminate the lease by either party, the 25-year lease is annually extended by one year. Further, the assignment does not change the other terms of the lease, including the payment amount and periodic inflationary adjustments, which are consistent with other airport hangar leases.

City Manager Richards stated that he provided a copy of the letter from the Airport Authority Chairman Bill Dohm, as well as the assignment document drafted by City Attorney Ramer.

#8287 – Motion by Cupps, second by James to approve the proposed lease agreement and to authorize the Mayor and City Clerk to execute the lease.

Ayes – 5
Nays – 0

Motion carried.

C. Salvation Army Request for Approval to Fund Raise on Public Property

City Manager Richards stated that he received a request from Greg and Bethany Irwin to have a “red kettle” fundraising on public property at the Christmas Tree Lighting Ceremony. City Manager Richards stated that he informed them that this request must be approved by City Council.

City Manager Richards stated that the Harbor Springs Area Chamber of Commerce (the “Chamber”) runs the Christmas Tree Lighting Ceremony. They were informed of this request.

Jody Ewbank, a member of the Chamber’s Downtown Business Committee, stated that the proposed fund raising event was discussed. It was felt by the Committee that the Salvation Army would have a fruitless evening. The outside activities are over in less than a half hour. The Salvation Army would be better served if they were at the Chamber’s Open House. That event runs from 6:00 p.m. to 9:00 p.m.

Irwin thanked Ewbank for the information and changed his request for the Chamber’s Downtown Merchants’ Open House from 6:00 p.m. through 9:00 p.m. on Saturday, December 5, 2015. Council, by consensus, authorized the City Manager to approve the Salvation Army’s request.

D. Knights of Columbus Fund Raising on Public Property

City Manager Richards stated that he received a request from the Knights of Columbus "K of C" to conduct their "Tootsie Roll" Fundraiser at the following locations:

- Gurney's Bottle Shop
- Kelbel Pharmacy
- Harbor Springs IGA
- Meyer's Ace Hardware

Kim Krieger, the K of C Grand Knight, also requested to be on the sidewalk on the northwest corner of State Street and West Main Street. Krieger is asking City Council for approval for an exception to the restrictions under Ordinance No. 390. City Manager Richards stated that the original dates requested would have been October 9th and 10th. However, the K of C is looking at alternative dates at the present time due to October 9th and 10th being dates that were passed over.

Council discussed this request with Krieger. After the discussion, the following motion was offered:

#8288 – Motion by Cupps, second by James, to authorize the City Manager to approve the Tootsie Roll Fundraiser on public property within the public rights-of-way, once the sale dates have been confirmed.

Ayes – 5
Nays – 0

Motion carried.

E. Approval of Poll Workers for the November 3, 2015 General Election

City Manager Richards stated that the City Clerk has submitted a memorandum outlining the poll workers, their pay rates and schedules for working the November 3, 2015 General Election. The City Clerk, in his memorandum, stated that this General Election is a non-partisan election with a City Ballot question.

After the City Manager's review of the City Clerk's memorandum on the November 3, 2015 General Election, City Council came to the consensus to approve the poll workers, their rates of pay and schedules as presented.

F. Tree Donation

City Manager Richards stated that the Tree Board has considered a proposal from Jeff and Lynn Granger to donate two trees, which would be located in the central area of Kosequat Park on Hoyt Street. The trees would be in honor of the memory of their daughter, Christine, who passed away recently. The Granger's and the Tree Board respected the current policy which does not permit any permanent identification or "memorial" markers to accompany the trees.

City Manager Richards stated that the Granger's propose to donate two Canaan Fir trees fifteen to eighteen feet tall. The westerly tree would be planted fifteen to twenty feet directly west of the three boulders. The second tree would be planted equidistant between the pitching cage and an existing Blue Spruce near the bike path.

City Council discussed the proposed donation. After the discussion, the following motion was offered:

#8289 – Motion by James, second by Cupps, to approve the tree donation from Jeff and Lynn Granger, as proposed.

Aye – 5
Nay – 0

Motion carried.

G. Michigan Municipal League Property and Liability Insurance Pool Board of Directors

City Manager Richards stated that two director seats are up for election on the Michigan Municipal League (the "MML") Property and Liability Insurance Pool Board of Directors. The two seats up for election are held by two incumbents. They are seeking re-election to the Board of Directors. Further, City Manager Richards stated that the two incumbents were selected by the nominating committee to run for the vacant seats.

City Council discussed this issue briefly. After the discussion, the following motion was offered:

#8290 – Motion by James, second by Bugera, to authorize the City Manager to cast the City's ballot in favor of the two incumbent directors seeking re-election to the MML Property and Liability Insurance Pool Board of Directors.

Ayes – 5
Nays – 0

Motion carried.

H. Portable Food Vendors' Policy Review and Consideration

City Manager Richards stated City Council approved the recommendations of the Portable Food Vendors' Committee to permit and regulate the operation of food vendors on Bay Street on a trial basis. The food vendor trucks were limited to four parking spaces on Bay Street near the Harbormaster Building. As part of the approval process, the results were to be reviewed before establishing a more permanent policy.

City Manager Richards stated that he received inquiries from four food truck vendors, but only two applied. They were:

1. Wood Fired Up (Pizza) and they operated from June 29th through August 18th.
2. Etta's Kitchen and they operated from July 1st through September 30th.

City Manager Richards stated other than the issues with the Sip and Ski and their comments, no other comments or concerns have come from the public to his attention or that of the City's Staff. City Manager Richards recommended that City Council consider whether any changes are needed to our existing practice.

Ewbank, the Manager of the Pier Restaurant, stated that she has not had any issues with the Food Truck operations and felt that the food trucks had not had any detrimental impact on the downtown restaurants.

Councilperson Bugera stated that he believed that the Council should consider possible adjustments of the location and the permit fees.

No further action was taken on this issue.

I. Little Traverse Bay Wheel Way Marathon

City Manager Richards stated that there was a request to consider a marathon on the Charlevoix to Harbor trail way. The organizer, Jim Harrington, asked for City Council consideration on this issue.

It was the consensus of City Council that City Manager Richards should approve this request if there were no conflicts with events planned by the Outfitter or the Trails Council.

5. City Manager's Report

City Manager Richards stated that he did not have a report this evening, but would update City Council on any issues that may arise by e-mail. Councilperson Cupps would have his report delivered.

City Manager Richards did state that the Electric Department monthly report was included in the Board Packets.

6. Appointments

Mayor Pfeifer stated that she has no appointments to make this evening.

7. City Council New and Old Business

None

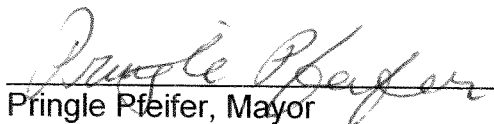
8. Adjournment

With no further business, Mayor Pro-Tem Dika adjourned the meeting at 7:43 p.m.



Ronald B. McRae, City Clerk

Approved: November 2, 2015



Pringle Pfeifer, Mayor