

November 2, 2015

Mayor Pfeifer called the twenty-second 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

#8291 – Motion by James, second by Cupps, to approve the minutes of the October 19, 2015 City Council Meeting as read.

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 Number</u>	<u>To or For</u>	<u>Description</u>	<u>Fund</u>	<u>Amount</u>
8290	A/P	Payouts 10/1-10/15/15	Trust	\$ 83,422.64
8291	Payroll	P.P.E. 10/18/15	General	\$ 34,821.97
			Major St.	338.46
			Local St.	332.80
			Historical	560.88
			Electric	14,405.21
			Water & Sewer	4,900.36
			Waterfront	5,022.38
			Equipment	1,785.41
8292	WIRE	MPPA 10/21/15	Electric	\$ 24,770.32

<u>Voucher Number</u>	<u>To or For</u>	<u>Description</u>	<u>Fund</u>	<u>Amount</u>
8293	A/P	Council 11/2/15	General	\$ 22,875.23
			Major St.	301.44
			Local St.	301.44
			Historical	94.80
			DDA	40.00
			Electric	22,762.47
			Water & Sewer	8,070.09
			W.T. Water	6,821.16
			Waterfront	6,049.05
			Equipment	4,955.12

THEREFORE, BE IT RESOLVED that claims on vouchers 8290, 8291, 8292 and 8293 as checked by the Finance Committee, in the amount of \$242,631.23 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	\$ 57,697.20
Major St.	639.90
Local St.	634.24
Historical	655.68
DDA	40.00
Electric	61,938.00
Water & Sewer	12,970.45
W.T. Water	6,821.16
Waterfront	11,071.43
Equipment	6,740.53
Trust	83,422.64
Totals	\$ 242,631.23

#8292 - Motion by Bugera, second by Dika, to approve the bills in the amount of \$242,631.23.

Ayes – 5  
 Nays – 0

Motion carried.

### 3. Citizen Comments

City Manager Richards stated that he received an e-mail from Vanessa V. Warren, 420 Pine St., concerning the City’s efforts to control the population in the deer park. She believes that the City should close the Deer Park and do something else to provide “other great opportunities for its residents and visitors.”

### 4. City Manager’s Section

A. Ordinance No. 398 – Ordinance to Enable City Council to Approve a Hardship Exemption for Paying Utility Bills

City Manager Richards stated that Ordinance No. 398 was drafted to enable the City Council to grant a hardship exemption for people who cannot afford to pay their utility bills and are unable to live in their homes.

City Manager Richards stated that Ordinance No. 398 applies only to homes that meet the following limitations and requirements:

- Applies to only unoccupied homes with the utility services shut-off;
- Applies to only an exemption from paying the fixed monthly charges;
- Applies to only low income owners who:
  1. Have no unpaid utility bills;
  2. Have an income level which meets or is lower than the Federal Poverty Guidelines;
  3. Have assets less than \$300,000 at the time of application and for the previous three years; and,
  4. Provide annual income information for the three previous years.

City Manager Richards stated that the applicants or their representatives would then be eligible to appear before City Council. City Council could then consider and possibly approve the property's owner's exemption. Each approved exemption is for one year from the date of approval.

City Manager Richards stated that the City Staff believes the impact of reduced revenues would be minimal and controlled with the strict conditions and requirements in this ordinance.

Council members discussed the resolution and noted that the "Affirmation of the Approval of the Resolution" (the "Affirmation") needed to be corrected. The Affirmation reads, "...was approved the at the..." The Affirmation should read, "...was approved at the..."

#8293 – Motion by James, second by Dika, to approve the "Resolution to Approve Ordinance No. 398, which provides an Exemption for Hardship in Paying Utility Bills", with the aforementioned correction of the Affirmation.

Ayes – 5  
Nays – 0

Motion carried.

#### B. Golf Cart Use on City Streets

City Manager Richards stated that Chief Branson made the City Staff aware that the Michigan Department of State Police has changed the policy that allowed golf carts (when properly equipped) to be titled and licensed for use on City streets. Golf carts that had not been previously licensed would no longer be eligible for a vehicle license.

The Police Department has been occasionally asked if it was permissible to operate a golf cart on the City streets. The people asking had been advised that the use was permissible, and advised of the licensing procedure through the State Police. That option is no longer available.

City Manager Richards stated that this issue was discussed with the Harbor Commission. The Marina Staff uses a golf cart for trash pickup throughout the downtown area in the summer season. The Harbor Commission and City Staff judged it to be inappropriate for the City to operate an unlicensed golf cart if the same opportunity was not available to its citizens.

City Manager Richards stated that City Attorney Ramer was asked to review this issue and research the options, if any. City Attorney Ramer's research revealed that there is a new statute, MCL 257.657a (effective January 13, 2015) that permits cities having a population less than 30,000 people to authorize use of golf carts on the non-trunk line streets of the city.

City Manager Richards stated that when approved by a resolution of the City Council, Harbor Springs may allow the operation of golf carts on our City streets, except M-119 (East Main Street and State Street), subject to the conditions stated in the statute.

City Manager Richards reviewed the proposed resolution being considered for the approval of the operation of golf carts on City streets. City Manager Richards stated that he and Police Chief Branson discussed the first condition. City Manager Richards stated that the first condition should be amended to read, "No person shall operate a golf cart on the streets of the City of Harbor Springs unless he or she has first registered his or her name with the Chief of Police." The requirements for inspection of golf carts would be deleted.

After City Council discussed this issue with the City Manager, the following motion was offered:

#8294 - Motion by Cupps, second by Dika, to approve the "Resolution to Approve the Operation of Golf Carts on City Streets", as amended.

Ayes – 5  
Nays – 0

Motion carried.

#### C. Portable Food Vendor Bay Street Location Options

City Manager Richards stated that at the last City Council Meeting, City Council briefly reviewed the experience from the first season of permitting the option of food trucks at four designated locations on Bay Street. City Manager Richards stated that Council Members expressed an interest in considering alternatives to the four parking spots originally chosen in June.

Council Members reviewed alternative locations shown on an aerial map that City Manager Richards had on the power point. After their review of spaces on West Main Street, parking spaces further west on East Bay Street and further east on East Bay Street the consensus was to leave the location for the food truck location where it is now.

Next, City Council Members discussed the fees for the portable food vendors. Brad Lydick, owner of a portable food operation, stated that it would be reasonable to increase those fees. Council Members further discussed the portable food vendor license fees with City Manager Richards and among themselves. City Manager Richards stated that he would like the fees to cover the administrative costs of the portable food vendor licenses. After the Council discussion, the following motion was offered:

#8295 – Motion by James, second by Bugera, to leave the portable food vendors located in the same four spaces as in 2015; further, to set the license fees at \$35 per day or \$350 per month.

Ayes – 5  
Nays – 0

Motion carried.

#### D. Public Act 152 of 2011 – Consideration of the Cost Sharing of Healthcare Premiums

City Manager Richards stated that pursuant to Public Act 152 of 2011, City Council must decide on one of the three options that are available to them. The three options are to:

1. Opt completely out of Public Act 152 of 2011;
2. Pay only for premiums up to the hard caps allowed by the Public Act of 2011;  
and,
3. Approve a sharing of the healthcare premium at 80% for the employer and 20% for the employees.

City Manager Richards stated that according to the current bargaining unit agreements and the Administrative Agreement for the non-union employees the City has been working toward an 80-20 split of the healthcare insurance premiums. As of December 31, 2015, the 80-20 split goes into effect.

City Manager Richards reviewed the "Economic Vitality Incentive Program" ("EVIP") that was originally attached to Public Act 152 of 2011. Since the City has not received any statutory revenue sharing monies from the State of Michigan since 2008, the City could not be penalized by the State withholding 10% of those revenue sharing monies. However, if the City were to opt out of Public Act 152 of 2011, the City could be penalized or not qualify for some payment from the State.

City Council discussed this issue with City Manager Richards. After the discussion, the following motion was offered:

#8296 – Motion by James, second by Dika, to approve the Public Act 152 of 2011 option of sharing the healthcare insurance premium costs on the basis of the employer paying 80% and the employee paying 20%, effective January 1, 2016.

Ayes – 5

Nays – 0

Motion carried.

#### 5. City Manager's Report

##### A. Sale of Retired Vehicles

City Manager Richards stated that the advertisements for bids on two City vehicles which were retired are in the papers. Further, the bids are scheduled to be opened on Thursday, November 12, 2015, just prior to the November 16, 2015 City Council Meeting. City Council will consider the bids received and make a decision to sell the vehicles and to whom that evening.

##### B. Update on the Budgeted Electric Projects for 2015

City Manager Richards stated that the Electric projects scheduled and budgeted for 2015 have been completed. The projects completed are:

1. The Bay Street Rebuild Project;
2. The Clayton Road Substation Project; and,
3. The Maple Street Rebuild Project.

##### C. Public Act 86 Disbursement Check

City Manager Richards stated that the City received additional State Revenue Sharing monies from the payment of "Use Taxes" paid in Michigan. The check was for \$6,849.00. This was the first disbursement that the City received.

D. Disbursement of Draft Minutes

City Manager Richards stated that City Council Members have been given the draft meeting minutes from the last DDA and HC Meetings.

E. Department Report

City Manager Richards stated that the monthly Police Department report was in the Council Packets for City Council Members to review.

6. Appointments

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

7. City Council New and Old Business

A. Recognition of the Harbor Springs Area Chamber of Commerce Outstanding Citizen

Councilperson James recognized City Clerk McRae and congratulated him for being awarded the Harbor Springs Area Chamber of Commerce's Outstanding Citizen for 2015.

B. Theater Progress Report

Councilperson James stated that the Lyric Theater Project ~~is being bid~~. Construction should start soon. *has been bid and awarded. TJH*

C. Veterans' Dinner

Councilperson Cupps stated that the American Legion will be hosting a Veterans' Dinner to honor our veterans on Veterans' Day.

8. Adjournment

With no further business, Mayor Pfeifer adjourned the meeting at 7:54 p.m.

  
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Ronald B. McRae, City Clerk

Approved: November 16, 2015

  
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Pringle Pfeifer, Mayor

**RESOLUTION  
OF  
THE CITY COUNCIL OF  
THE CITY OF HARBOR SPRINGS  
(a Michigan municipal corporation)**

November 2, 2015

**WHEREAS**, the City Council has considered the provisions of PA 491 of 2014, that permit the City to authorize operation of golf carts on the streets of the City; and,

**WHEREAS**, the City Council has determined that it would be appropriate and beneficial to the City of Harbor Springs to permit operation of golf carts on the streets of the City, subject to restrictions;

**NOW THEREFORE, IT IS RESOLVED**, pursuant to MCL 257.657a, that the operation of golf carts on the streets of the City is permitted, subject to the following requirements:

1. No person shall operate a golf cart on the streets of the City of Harbor Springs unless he or she has first registered his or her name with the Chief of Police.
2. No person shall operate a golf cart on any street unless he or she is at least sixteen (16) years of age and is licensed to operate a motor vehicle.
3. A person shall not operate a golf cart on Highway M-119. This does not prohibit a person from crossing Highway M-119 when operating a golf cart on a street of the City using the most direct line of crossing.
4. A golf cart shall be operated at a speed not to exceed 15 miles per hour.
5. A person operating a golf cart upon a roadway shall ride as near to the right side of the roadway as practicable, exercising due care when passing a standing vehicle.
6. The operator of a golf cart shall comply with the signal requirements of Section 648 of the Motor Vehicle Code that apply to the operation of a vehicle.
7. A golf cart shall not be operated on a sidewalk.
8. The City may, by subsequent resolution, designate certain streets for use by golf carts.
9. A golf cart shall not be operated on the streets of the City during the time period from one-half (½) hour before sunset to one-half (½) hour after sunrise.