

September 10, 2015

Mayor Pfeifer called the eighteenth 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

Present: Pringle Pfeifer, John L. Cupps and Jeffrey V. James

Absent: Matt Bugera and Alan J. Dika

Also Present: City Manager Thomas C. Richards, City Attorney James T. Ramer, Labor Attorney Steve Fishman, Police Chief Daniel J. Branson, Assessor / Planning and Zoning Administrator C. Jeffrey Grimm, Retired Assessor / Zoning Administrator C. Tim Grimm, Former Board of Review Chairperson Joyce Shagonaby and City Clerk Ronald B. McRae

City Clerk Ronald B. McRae acknowledged that three City Councilpersons were present and a quorum was present.

2. City Clerk / Comptroller / Treasurer

A. Approval of Minutes

#8271 – Motion by James, second by Cupps, to approve the minutes of the August 17, 2015 City Council Meeting as read.

Ayes – 3

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>
8268	A/P	Payouts 8/1-8/15/15	Trust	\$2,688,825.28
8269	Wire	MPPA 8/25/15	Electric	\$ 35,951.46
8270	Wire	Sales Tax	General Electric	\$ 8,801.18 19,515.87
8271	Payroll	8/23/15	General Major St. Local St. Historical Electric Water & Sewer Waterfront Equipment	\$ 41,872.55 298.40 91.66 560.88 12,848.63 5,824.12 8,526.40 2,047.32

<u>Voucher Number</u>	<u>To or For</u>	<u>Description</u>	<u>Fund</u>	<u>Amount</u>
8272	A/P	Payouts 8/16-8/31/15	WT Water	\$ 13,719.95 170,635.07
8273	Wire	MPPA 9/10/15	Electric	\$ 34,339.57
8274	A/P	Council 9/10/15	General	\$ 109,666.19
			Major St.	298.53
			Local St.	948.53
			Historical	187.18
			DDA	1,957.50
			Electric	17,875.66
			Water & Sewer	342,695.74
			WT Water	13,719.95
			Waterfront	5,434.79
			Weather buoy	4,639.42

THEREFORE, BE IT RESOLVED that claims on vouchers 8268, 8269, 8270, 8271, 8272, 8273 and 8274 as checked by the Finance Committee, in the amount of \$3,541,281.83 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	\$109,666.19
Major St.	298.53
Local St.	948.53
Historical	187.18
DDA	1,957.50
Electric	52,215.23
Water & Sewer	342,695.74
WT Water	27,439.90
Waterfront	5,434.79
Weather buoy	4,639.42
Trust	2,859,460.35
Totals	\$3,541,281.83

#8272 - Motion by James, second by Cupps, to approve the bills in the amount of \$3,541,281.83.

Ayes – 3
 Nays – 0

Motion carried.

3. Citizen Comments

None

4. City Manager's Section

A. Recognition of Public Service

City Manager Richards stated that the City wishes to recognize Joyce Shagonaby for over twenty-two years of public service on the Board of Review. Joyce was appointed in 1993 and retired this year. Further, she has served as the chairperson for over ten years.

Tim Grimm presented Shagonaby with a plaque and read the inscription.

B. MERS Employee Contributions

City Manager Richards stated that the City received its 2014 Actuarial Review from the Municipal Employees Retirement System of Michigan (MERS). The actuarial review requires an upward adjustment of City's retirement contribution rate. However, the City's retirement contribution rate is capped at ten (10) percent. Therefore, the employees' contribution rate is required to increase.

City Manager Richards stated that the City Clerk has calculated the increase for the employees' contribution to rise from 6.85% to 7.97%. City Manager Richards stated that the City Council should approve this increase under the terms of the Retirement Plan Agreement.

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

#8273 – Motion by James, second by Cupps, to approve the "Resolution to Increase the Employees' Retirement Contribution Rate" and to authorize the City Clerk to submit the Resolution to MERS to begin billing the increased Employees' contribution rate on all paychecks issued on or after January 1, 2016.

Ayes – 3
Nays – 0

Motion carried.

C. MERS Officer Delegate Appointment

City Manager Richards stated that the MERS Annual Meeting has been scheduled for Thursday morning, October 8, 2015 through Friday afternoon, October 9, 2015. To represent the City (the Employer), City Council must approve an Employer Delegate. City Manager Richards stated that both he and the City Clerk have represented the City in the past, as well as the Police Chief.

Due to scheduling conflicts with the City Manager's and the City Clerk's schedules, neither can attend this year. Therefore, Police Chief Branson offered to represent the City. City Council discussed this issue, and then the following motion was offered:

#8274 – Motion by James, second by Cupps, to authorize Police Chief Branson to serve as the Employer Delegate at the MERS Annual Meeting scheduled for October 8 and 9, 2015.

Ayes – 3
Nays – 0

Motion carried.

D. Hardship Exemptions for Utility Billings

City Manager Richards stated that City Clerk McRae has been requested to allow a "Hardship Exemption" from the monthly fixed costs of the utilities for customers who no longer live in their homes and do not have the where-with-all to pay the fixed charges billed. City Manager Richards explained that the individual may be living with family or in a care facility for the elderly or physically impaired.

City Manager Richards stated that over the last twenty plus years there have been only five or six requests for this type of Hardship Exemption. Further, City Council should be aware that the Board of Review currently can grant hardship exemptions from paying property taxes. City Manager Richards stated that if City Council believes that this Hardship Exemption is something that should be an option, direction should be given to the City Attorney to draft an ordinance to enable City Council to grant a "Hardship Exemption" from paying utility billings.

City Council discussed their concerns and asked questions about the specifics of the "Hardship Exemption". Electric, Water and or Sewer Service should be terminated. A form should be submitted by the applicant or the applicant's representative showing the lack of funds to pay the fixed charges of the utility billings. Further, the applicant should provide proof that no assets are available and could not become available to meet the utility billings.

City Council members stated that they understood the need for the "Hardship Exemption" and, by consensus, directed the City Attorney to work with the City Manager and the City Clerk to draft an amendment to the City Code to allow the "Hardship Exemption" and an appropriate form to file for the Hardship Exemption.

E. Amendment of the Articles of Incorporation of the HSAFA to Enable Cost Recovery

City Manager Richards stated that the Board of Directors (the "Board") of the Harbor Springs Area Fire Authority (the "HSAFA") have been evaluating the benefits of a policy that would enable the HSAFA to recover costs related to some services that are provided in response to preventable accidents, rescues and other emergency calls where the cost of those services should be assessed to the responsible individual, company or organization.

The goal of the Amendment of the Articles of Incorporation is to permit the development and approval of an ordinance which would be to help offset each member community's costs of providing services, especially for situations where the responsible parties typically bear the responsibility of the costs of emergencies that are often avoidable. In order to enact a "Cost Recovery Ordinance" the Board was advised that a change to the Articles of Incorporation is needed.

The attached amendment is being presented to the City Council and the Board of Trustees at Little Traverse Township, Pleasantview Township and West Traverse Township for approval. The City Staff recommends that City Council consider and approve the proposed amendment to the Articles of Incorporation of the HSAFA.

Councilperson Cupps asked if the cost recovery ordinance would address false alarms. City Manager Richards stated that the false alarms are handled under a different policy. Council discussed this issue. After the discussion, the following motion was offered:

#8275 – Motion by James, second by Cupps, to approve the Amendment to the Articles of Incorporation of the Harbor Springs Area Fire Authority, as proposed and presented.

Ayes – 3
Nays – 0

Motion carried.

F. Street Tree Planting Proposal

City Manager Richards stated that the Tree Board has reviewed a proposal from Gow Litzenburger to provide new trees along the greensward on the east side of South State Road by the Shay Middle School. The proposed trees would be a mix of species. Further, City Manager Richards stated that clear vision would be maintained for the north exit drive at the north end of the School's parking area. Also, an irrigation system would be installed to provide the necessary water for the trees. The irrigation system for the trees would be connected to the School's water system. The trees would be provided at no cost to the City or Schools.

Councilperson Cupps stated that the firemen driving the fire trucks have had vision problems when people have parked along the east side of State Road. He suggested that the City discuss the tree locations with the Fire Department. City Manager Richards stated that he would review the proposal with Fire Chief Schiller.

Councilperson James stated that he was in favor of this project, subject to the vision issue being resolved with the Fire Department. Councilperson Cupps concurred with Councilperson James. Mayor Pfeifer stated that the consensus of City Council members present was to proceed with the project after receiving input from the Fire Department and authorized City Manager Richards to proceed.

G. Traffic Control Order No. 02-2015

City Manager Richards stated that the DPW Director VanderZee applied to the State of Michigan, Department of Transportation (MDOT) to have three streets reclassified from a local street classification to a major street classification. MDOT approved the change in classification for the three streets. They are:

- Pennsylvania Street from Zoll Street east to the City limits;
- Hoyt Street from East Main Street north to East Lake Street; and,
- East Fairview Street from South State Road east to the end of the street.

City Manager Richards stated that the advantage to having these streets reclassified to a major street is for funding purposes. MDOT provides enough money to maintain a major street for pretty close to 100% of the costs. However, a local street receives funding for only 50% of the maintenance costs.

City Manager Richards stated that due to the width of Pennsylvania Street and Hoyt Street, MDOT is requiring that the parking be restricted. There can be no parking on Pennsylvania Street from Zoll Street east to the City limits and there can be no parking on the west side of Hoyt Street from the driveway of Renolda's Greenhouse south to East Main Street.

City Manager Richards stated that the most appropriate way to handle this requirement is to issue a Traffic Control Order from the Police Department with City Council's approval. City Council discussed this issue. After the discussion, the following motion was offered:

#8276 – Motion by James, second by Cupps, to approve Traffic Control Order No. 02-2015 to restrict parking on the west side of Hoyt Street from the Renolda's Greenhouse driveway south to East Main Street and to restrict parking on both sides of Pennsylvania Street from Zoll Street east to the City limits.

Ayes – 3
Nays – 0

Motion carried.

5. City Manager's Report

A. Endorsement of Citizen's Climate Lobby

City Manager Richards stated that he received a request from Ron Marshall to request City Council to endorse the Citizen's Climate Lobby and its proposal to enact legislation that would create a tax on the sale of fuels which result in carbon dioxide emissions with the proceeds of that tax to be paid to households.

City Manager Richards stated that he explained to Marshall that Council does not, historically, take positions or endorse organizations or their proposed legislative actions that are broad in scope and which focus more on national issues rather than local issues. City Manager Richards stated that Marshall was invited to address City Council at a City Council meeting during their "Public Comment" time or send printed information that could be shared with City Council.

B. Curbside Recycling

City Manager Richards stated that he was asked by Jack Burley why the City did not include condo associations in the curbside recycling program. City Manager Richards stated that his research resulted in City Council, at that time, not wanting to commit curbside recycling for areas that are predominantly inhabited by summer residents. The Emmet County Department of Public Works (the "DPW") charges \$2.47 per household per pick up year round.

Burley stated that the summer residents pay their property taxes just as the single family residents do who are year round residents. Burley asked that City Council reconsider their position from when the curbside recycling program began. City Manager Richards stated he would explore the options and costs of adding service for customers in the areas not served with curbside recycling.

There was no further action taken on this issue.

C. October 5, 2015 City Council Meeting

City Manager Richards stated that he would not be present, in person, at the October 5, 2015 City Council Meeting. Also, City Clerk McRae has a Michigan Government Finance Officers' Association seminar on October 5th. City Manager Richards stated that depending on the upcoming issues, that meeting may be cancelled.

If something does come up, a Special Meeting may be held with an eighteen-hour public notice.

D. Department Reports

City Manager Richards stated that the Electric Department and the Police Department monthly reports are in the Council Packets.

6. Appointments

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

7. City Council New and Old Business

Councilperson Cupps asked if the City Manager had gotten a price for a sign recognizing the churches in Harbor Springs. City Manager Richards stated that he did. City Manager Richards stated that he was going to contact the churches to determine if they will contribute to replace the sign.

8. Closed Session

City Manager Richards recommended that the Council go into Closed Session.

#8277 – Motion by James, second by Cupps, to go to Closed Session under Public Act 267 (the “Open Meetings Act”) of 1976, Section 8(e), to consult with the Attorney, Steve Fishman, Bodman Law Group, regarding trial and a settlement strategy in connection with specific pending litigation, which would have a detrimental financial effect on the litigating or settlement position of the public body if discussed in an open meeting.

Ayes: Cupps, James and Pfeifer
Nays: None
Absent: Dika and Bugera

Motion carried.

Mayor Pfeifer recessed from “Open Session” at 7:40 p.m. to go to “Closed Session”.

Mayor Pfeifer called the “Open Session” back to order at 8:08 p.m.

9. Adjournment

With no further business, Mayor Pfeifer adjourned the meeting at 8:14 p.m.



Ronald B. McRae, City Clerk

Approved: September 21, 2015



Pringle Pfeifer, Mayor

Harbor Springs Police Department
170 Zoll Street
Harbor Springs, MI 49740

Telephone: (231) 526-6211 Fax: (231) 526-2699 Web site: harborspringspolice.com

Chief of Police: **Dan Branson**
Executive Secretary/Dispatcher: Yvonne Olshove'

Patrol Officers: Steve Timmons
Josh Johnston
Matt Pater
Dave Heater

Traffic Control Order


Number: 02-2015

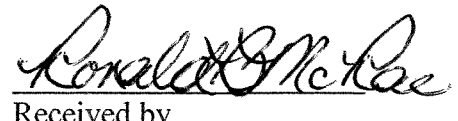
Effective Date: September 14, 2015

No Parking Anytime on the west side of Hoyt from M-119 to E Lake Street.
No Parking Anytime on Pennsylvania from Zoll Street east to the City Limits.

Purpose:

Both streets have been upgraded in status from "local" streets to "major" streets for funding purposes and these parking restrictions are required for major street status.


Chief Dan Branson
Serving as Traffic Engineer


Received by
Ron McRae, City Clerk

Date: 14 Sep 15

Date: 14 Sep 15

City Council Approval on: 10 Sep 15