

September 21, 2015

Mayor Pfeifer called the nineteenth 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. Mayor Pfeifer also stated that this meeting was a joint meeting of the City Council, the Planning Commission (the "PC") and the Downtown Development Authority / Principal Shopping District (the "DDA / PSD") Board of Directors. This meeting is a special meeting for the PC and the DDA / PSD Board.

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

DDA / PSD Board:

Present: Rob Mossburg, Kathie Breighner, Matt Clarke, Jeff Graham, Mary Ellen Hughes, Jeffrey V. James, Pringle Pfeifer and Pam Pfeifle

Absent: Joshua Baker, Andy Bultman and Cece Johnston

Planning Commission:

Present: Fred Walstrom, Jeanne Benjamin, Andrew Bowman, John L. Cupps, Jeff Ford, Lee Kramer, Sara Smith and Carrie Wiggins

Absent: Jack Deegan

City Staff and Participants from Organizations:

Also Present: City Manager Thomas C. Richards, City Attorney James T. Ramer, Police Chief Daniel J. Branson, Assessor / Planning and Zoning Administrator C. Jeffrey Grimm, City Planner Larry Nix, Williams and Works, Executive Director, Rachel Smolinski, Harbor Inc., Jeff Frank, Corbin Design, Superintendent Mark Tomkins, Harbor Springs Public Schools, and City Clerk Ronald B. McRae

City Clerk Ronald B. McRae acknowledged that a quorum was present for all three City government bodies.

2. City Clerk / Comptroller / Treasurer

A. Approval of Minutes

#8279 – Motion by James, second by Cupps, to approve the minutes of the September 10, 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>
8275	Payroll	9/6/15	General	\$ 46,620.39
			Major St.	739.16
			Local St.	150.60
			Historical	560.88
			Electric	11,847.28
			Water & Sewer	4,490.24
			Waterfront	6,877.52
			Equipment	2,985.00
8276	WIRE	Sales Tax	General	\$ 5,396.99
			Electric	19,963.03
8277	A/P	Payouts 9/1-9/15/15	Trust	\$ 139,253.72
8278	A/P	Council 9/21/15	General	\$ 26,137.07
			Historical	155.90
			DDA	7.50
			Electric	107,807.48
			Water & Sewer	51,830.56
			Waterfront	4,562.59
			Equipment	7,741.87

THEREFORE, BE IT RESOLVED that claims on vouchers 8275, 8276, 8277 and 8278 as checked by the Finance Committee, in the amount of \$437,127.78 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	\$ 78,154.45
Major St.	739.16
Local St.	150.60
Historical	716.78
DDA	7.50
Electric	139,617.79
Water & Sewer	56,320.80
Waterfront	11,440.11
Equipment	10,726.87
Trust	139,253.72
Totals	\$ 437,127.78

#8280 - Motion by Dika, second by Bugera, to approve the bills in the amount of \$437,127.78.

Ayes – 5  
 Nays – 0

Motion carried.

3. Citizen Comments

None

4. City Manager's Section

A. Letter of Agreement for an Actuarial Determination for OPEB Future Costs

City Manager Richards stated that the City is required to provide an actuarial report to the auditors each year for inclusion in the City's audit report on the future actuarial costs of "Other Post Employment Benefits", more commonly referred to as OPEB costs. Further, the City had Gabriel, Roeder, Smith and Company prepare the required actuarial report, subject to the Government Accounting Standards Board (the "GASB"); Rule No. 45. City Manager Richards also stated that there are very few firms providing this service.

City Manager Richards stated that the actuarial report will be for 2015, 2016 and 2017 audits, based on the December 31, 2014 data. The cost of the actuarial report has been quoted at \$7,200. City Clerk McRae stated that the last actuarial report for 2012, 2013 and 2014 audits, based on the December 31, 2011 data cost \$7,000.

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

#8281 – Motion by Dika, second by James, to authorize the City Manager to execute the "Letter of Agreement" to have Gabriel, Roeder, Smith and Company prepare the required OPEB Actuarial Report subject to the GASB Rule No. 45, as presented, at a cost of \$7,200.

Ayes – 5  
Nays – 0

Motion carried.

5. City Manager's Report

A. Workman's Compensation Premium Audit

City Manager Richards stated that the City received a check from the Michigan Municipal League Workman's Compensation Pool in the amount of \$3,705.00. When the City budgets where the employees will spend their time, premiums are calculated on those estimates. After the year is over, an audit is performed on where their time is actually spent. Premiums are recalculated. The difference between the budgeted premiums and the premiums based on the actual time is either applied as a credit in the premium to the municipality or billed to the municipality.

City Manager Richards stated that due to the City's budgeting practices, usually the City receives a reduction in the premiums, not an increase. City Manager Richards addressed the questions and concerns of City Council on this issue. There was no other action taken or required.

6. Appointments

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

7. City Council New and Old Business

None

8. Work Session with the DDA/PSD Board and the Planning Commission

A. Wayfinding Analysis

City Manager Richards introduced Jeff Frank, a Senior Design Consultant with Corbin and Associates, who will present the Wayfinding Analysis that was done for the City. DDA/PSD Board Chairperson Mossburg stated that the Wayfinding Analysis was performed under the direction of the DDA/PSD Board. Mossburg stated the funds to pay for the preparation of the Wayfinding Analysis was raised by the DDA/PSD Board. The monies came from contributions and the City.

Frank gave an overview of Wayfinding. He defined "Wayfinding" as "direction for people in motion". Frank also provided the elements that were considered to draft the Wayfinding Analysis. Frank reviewed the "Elements of Successful Wayfinding".

Frank stated that Corbin and Associates developed six recommendations. They are:

- Support the Harbor Springs Brand through the use of a unique wayfinding signage program.
- Define the Harbor Springs boundaries.
- Promote and link the centers of activity.
- Provide consistent terminology across all communications platforms.
- Develop criteria for destination inclusion on the signage.
- Provide pedestrian-oriented signs where appropriate.

Frank stated that wayfinding should have a value. There should be a "Return on Investment". To illustrate this type of a return on investment, Frank stated that in November of 2008 the International Downtown Association submitted wayfinding to the Obama transition team as one of its top ten (10) economic incentives for America's downtowns. The results of the Asheville, North Carolina Survey by the Convention and Visitor's Bureau found that 87% of the 4,076 people surveyed said that they would have explored further if signage and kiosks had provided direction to additional attractions. Also, 11% of the 4,076 people stated that they would have extended their trip by one additional overnight stay if the new or additional attractions were discovered. This would have resulted in 85,241 additional over night stays in a three-year period.

Frank stated that one of the benefits wayfinding creates is repeat visitation. Another benefit is the advertisement of the secondary destinations for people to see when visiting the primary destination.

Frank stated the next step in the process was the design of the signs and their recommended locations. Further, funding options could be explored. Frank offered to provide an estimate for the design work.

Frank addressed questions and concerns of the members of the three bodies present.

No further action was taken this evening on this issue.

B. Off-Street Parking and Policies

City Manager Richards stated that due to each body having discussed different aspects of the topic, he recommends that a downtown parking policy be considered jointly by the members of the three government bodies, City Council, Planning Commission and the Downtown Development Authority / Principal Shopping District Board, present this evening.

City Manager Richards reviewed the history and changes that have resulted in the current off-street parking policies. City Manager Richards stated that the actual cost for creating a new off-street parking space in the downtown area is approximately \$15,000 per parking space. When City Council adopted the rate per parking space to be paid in lieu of providing a required space, they used the actual cost of the construction of the parking space.

Commissioner Bowman stated that he believes that the PC made the decision without recognizing the impact on the upfront costs for off-street parking for a new business. Councilperson Dika stated that he does not believe that it is fair to make a new business pay for the parking costs. He believes that the cost of parking should be borne by all businesses or some other funding mechanism. Councilperson James concurred with Councilperson Dika.

City Manager Richards continued his presentation. He discussed enforcement. Further, he discussed how business owners and employees often park in prime spots, rather than walking from a parking area outside of the downtown. City Manager Richards also discussed the costs of the parking fines, maintenance of the parking spaces and parking lots. Lastly, City Manager Richards discussed how technology could help in a process to make the parking space user pay for the benefit of the parking space with the use of a parking meter or more user friendly parking kiosks.

City Manager Richards then discussed ways of sharing the costs of maintaining and building new parking areas. City Manager Richards noted that many of our neighboring cities make the parking user pay the costs of providing public parking. In Harbor Springs, the new business and the tax payer pay for a lot of the parking expense through their property taxes.

Some of the PC and DDA/PSD Board members discussed the food trucks and their use of the parking spaces. Chief Branson discussed the Harbormaster parking lot and how the Harbormaster can sell parking space time to the boaters.


There was no consensus reached by either the three bodies regarding proposed changes to the City's current parking policies or funding of public parking.

#### 9. Adjournment

With no further business, Mayor Pfeifer adjourned the meeting at 9:10 p.m.

  
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Ronald B. McRae, City Clerk

Approved: October 19, 2015

  
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Pringle Pfeifer, Mayor

**AMENDMENT TO  
THE  
ARTICLES OF INCORPORATION  
OF THE  
HARBOR SPRINGS AREA FIRE AUTHORITY  
(Public Body Corporate)**

We, the legislative bodies of the City of Harbor Springs, Little Traverse Township, West Traverse Township and Pleasantview Townships, of Emmet County, Michigan, acting under the authority granted by the Michigan Municipal Emergency Services Act (MCL 124.601, et. seq.), do hereby AMEND the Articles of Incorporation of the HARBOR SPRINGS AREA FIRE AUTHORITY, as follows:

I.

A new Article XII is added to read as follows:

ARTICLE XII. COST RECOVERY.

The Authority may adopt ordinances that allow the Authority to assess fees on owners or occupants of property who receive emergency services to cover the Authority's costs of providing emergency services. An ordinance adopted by the Authority shall be rescinded if, within 60 days from the date the ordinance is adopted, one-eighth (1/8) or more of the municipalities affected by the ordinance vote to rescind the ordinance.

II.

This Amendment shall be effective upon the date that this Amendment has been adopted by the Authority's constituent municipalities, and published and filed, as hereinafter provided.

III.

The Clerk of the Authority shall be responsible for causing this Amendment to the Articles of Incorporation to be published in the *Harbor Light* newspaper, and a certified copy thereof to be filed with the Michigan Secretary of State, all as provided in Section 3 of the Act.

IV.

The constituent municipalities agree that this Amendment may be signed in counterpart with the same effect as if all constituent municipalities had signed one instrument. All counterparts shall be construed together and shall constitute one instrument.