

AGENDA
CITY OF CHARLEVOIX CITY COUNCIL MEETING

Monday, October 1, 2012 - 7:00 p.m.
210 State St, City Hall, Second Floor City Council Chambers, Charlevoix, MI

- I. Invocation or Pledge of Allegiance**
- II. Roll Call of Members Present**
- III. Inquiry Regarding Possible Conflicts of Interest**
- IV. Consent Agenda**
 - A. City Council Meeting Minutes – September 12, 2012 Special Meeting **PG 1-5**
 - B. City Council Meeting Minutes – September 17, 2012 Regular Meeting **PG 6-11**
 - C. Accounts Payable Check Register **PG 12-17**
 - D. Payroll Check Register **PG 18-20**
- VI. Reports**
- VII. Requests, Petitions and Communications and Actions Thereon**
 - A. Discussion of Clean Affordable Renewable Energy (CARE) **PG 21-22**
 - B. Downtown LED Tree Light Project Bid **PG 23-24**
 - C. Purchase 1/0 Kerite Cable **PG 25-26**
 - D. Property & Liability Insurance Renewal **PG 27-33**
- VIII. Introduction and Initial Actions Relating to Ordinances or to Resolutions That Require Publication or Hearings Prior to Final or Further Action**
- IX. Resolutions**
- X. Ordinances**
- XI. Miscellaneous Business**
- XII. Audience - Non-agenda Input (written requests take precedent)**
- XIII. Closed Session**
 - A. Review of City Manager's Performance – September 2011-2012

The City of Charlevoix will provide necessary reasonable auxiliary aids and services, such as signers for the hearing impaired and audio tapes of printed materials being considered at the meeting, to individuals with disabilities at the meeting upon one weeks notice to the City of Charlevoix. Individuals with disabilities requiring auxiliary aids or services should contact the City of Charlevoix Clerk's Office in writing or calling the following: City Clerk, 210 State Street, Charlevoix, MI 49720 (231) 547-3250.

CHARLEVOIX CITY COUNCIL

AGENDA ITEM

AGENDA ITEM TITLE: Presentation on Proposal 3, a Proposal to Establish a Renewable Energy Standard by 2025

DATE: October 1, 2012

PRESENTED BY: Tim Petrosky, Consumers Energy

ATTACHMENTS: C.A.R.E. Fact Sheet

BACKGROUND INFORMATION: Tim Petrosky has requested to make a presentation to City Council regarding Proposal 3. This proposal would amend the State Constitution to require 25% of electricity production come from renewable sources.

RECOMMENDATION: Discussion.



CARE

*Clean • Affordable
Renewable • Energy*

The Facts

The creation of a 10 percent renewable energy standard in 2008 put Michigan squarely on the path to a greener energy future. Electricity providers already are making significant progress toward meeting that standard, which was established by the Legislature with overwhelming bipartisan support.

Now, there's a proposal to jack up that standard to 25 percent, even though such an increase will cost at least \$12 billion, depending on which renewable sources are used. Even worse, backers of this proposal want to lock that mandate into the Michigan Constitution, eliminating any flexibility and guaranteeing a future full of rate increases for customers. If passed, Michigan would be the only state in the entire country to amend its constitution to include Renewable Portfolio Standards.

Michigan's families and businesses can't afford to pay billions of dollars for a reckless green energy standard. The proposal's backers claim there will be a 1 percent cap on annual rate increases, but that's no guarantee. Courts could strike down the so-called cap. If that happened, customers would face steep increases in their electric bills.

It's a mandate that would forever change the face of Michigan. Meeting the 25 percent mandate with just wind energy would require as many as 3,100 wind turbines, each taller than the state Capitol. All told, those turbines would require nearly a half a million acres of land – an area nearly six times the city of Detroit or 17 times the city of Grand Rapids – and likely force wind turbines to be built in the Great Lakes.

The constitution isn't the place for energy policy. This proposal would lock a reckless renewable energy mandate into the Michigan Constitution and eliminate the flexibility needed to deal with volatile markets, changing customer needs, and to provide families and businesses with cleaner, reliable and affordable electric service.

Michigan is already on a smart – and affordable – path to a greener energy future. We encourage all Michigan families and businesses to oppose this “25 x 25” mandate.

To learn more about the Clean Affordable Renewable Energy (CARE) for Michigan Coalition's mission to help fight this unprecedented threat to Michigan's energy future and the state's economy, visit: www.CAREforMich.com

CHARLEVOIX CITY COUNCIL

AGENDA ITEM

AGENDA ITEM TITLE: Downtown LED Tree Light Project Bid

DATE: October 1, 2012

PRESENTED BY: DDA Executive Director Keith Carey

BACKGROUND INFORMATION: At its September 17 meeting, City Council approved a motion to put \$10,000 in Electric Fund promotions monies towards a project that will include the removal of existing "cool white" light emitting diode (LED) lights and the purchase and installation of new "warm white" LED lights in the 36 trees currently lit in the downtown between Antrim Street and the drawbridge. The \$10,000 authorized by City Council would be paired with \$4,500 in DDA light maintenance monies and private donations would be solicited to provide the anticipated \$7,500 needed to pursue the project at its estimated \$22,000 cost. Staff is pleased to report the remaining \$7,500 has been raised and the project was advertised for bids last week.

Please find attached a spreadsheet listing submitted bids for the project. Bids were opened as advertised at 2:00 pm on Monday, September 24. At that same evening's DDA meeting, staff strongly recommended the acceptance of the \$22,000 bid submitted by Holiday Lighting Service, Inc. of Manchester, Michigan, despite it exceeding the low bid of \$21,155 submitted by Michigan Decorations of Traverse City, Michigan. This recommendation was based upon the exemplary prior work history the City has enjoyed with Holiday Lighting Service, Inc. Staff advised against contracting with Michigan Decorations due to numerous issues associated with the installation and maintenance of Downtown Charlevoix's initial LED tree light display in November 2007. The DDA accepted staff's recommendation and voted to contract with Holiday Lighting Service, Inc.

Please note that private fundraising efforts will continue as we attempt to enhance the visual impact of the core display between Antrim Street and the drawbridge and potentially expand its scope in areas deemed appropriate.

RECOMMENDATIONS: Due to the \$10,000 City Council partnership commitment triggering a formal bid approval, staff requests the following motion:

Accept the bid of \$22,000 submitted by Holiday Lighting Services, Inc. and partner with the Charlevoix DDA and private fundraising efforts to remove current lights and purchase and install new "warm white" lights.

BID OPENING
City of Charlevoix
Tree Lights

September 24, 2012 – 2:00 p.m.

BIDDER INFO	BID
MICHIGAN DECORATIONS 217 W. 9 TH TRAVERSE CITY, MI 49684	21,155.00
HOLIDAY LIGHTING SERVICES, INC 223 AUBURN ST MANCHESTER, MI 48158	22,000.00

Carol Ochs
City Clerk

CHARLEVOIX CITY COUNCIL

AGENDA ITEM

AGENDA ITEM TITLE: Purchase 1/0 Kerite Cable

DATE: 10/1/12

PRESENTED BY: Don Swem

ATTACHMENTS: Quote

BACKGROUND INFORMATION:

The City decided several years ago to purchase all underground primary cable exclusively from the Kerite Corporation. This was done because of the superior quality of this cable compared to the competition, and is still true today. The cable is available in this area from only one supplier.

We have received a quote for 11,000 feet of 1/0 Kerite cable for \$2.80 per foot, which comes to a total of \$30,800.00. This price is about 16% higher than a year ago. When we bought the cable a year ago we thought we had enough to last until next year but we are using it faster than anticipated. The purchase has been budgeted under Capital Supplies.

This cable is needed to continue the construction of the underground primary electrical system.

RECOMMENDATION:

It is recommended that the purchase of 11,000 feet of 1/0 Kerite cable from the Resco Corporation be approved for \$30,800.00.



QUOTE

UPC VENDOR	QUOTE DATE	ORDER NO.
000000	09/20/12	519968-00
P.O. NO.		PAGE #
KERITE CABLE QUOTE		1

CUST.# 42017
 SHIP TO: CHARLEVOIX ELEC UTILITY
 401 WEST CARPENTER
 CHARLEVOIX, MI 49720

CORRESPONDENCE TO: Resco
 PO BOX 44430
 MADISON, WI 53744-4430

BILL TO: CHARLEVOIX ELEC UTILITY
 210 STATE STREET
 CHARLEVOIX, MI 49720

INSTRUCTIONS		TERMS
		.25% 15 N 30
SHIP POINT	SHIP VIA	SHIPPED
Resco - Mt. Pleasant	Common Carr	

LINE NO.	PRODUCT AND DESCRIPTION	QUANTITY ORDERED	QUANTITY B.O.	QTY. SHIPPED	QTY. U/M	UNIT PRICE	AMOUNT (NET)
1	09120470KERITE CBL MV 1/OSOLAL 15K 220E PR 3RSJKT16/14 PTUP 2750 Vendor Prod: 111S15-C1200-0002	11000		11000	foot	2.80	30800.00
----- RESCO STOCK FREIGHT ALLOWED PLEASE CALL WITH ANY QUESTIONS YOU MAY HAVE. REGARDS, STEVE BRIETZMAN/RESCO 800-356-9370 X307 -----							
1	Lines Total		Qty Shipped Total	11000		Total Invoice Total	30800.00 30800.00

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CHARLEVOIX CITY COUNCIL

AGENDA ITEM

AGENDA ITEM TITLE: Property & Liability Insurance Renewal

DATE: October 1, 2012

PRESENTED BY: Rob Straebel

ATTACHMENTS: A Quote from Municipal Underwriters of Michigan (Michigan PAR Plan)

BACKGROUND INFORMATION: The quote attached at \$81,425 is an increase of \$3,812 (4.91%) over last year's cost in our third year with the same organization. This covers property and equipment valued at over \$60,000,000 and fleet coverage for vehicles valued over \$4,800,000. We have increased our property coverage by 5% in value and our fleet coverage went up over \$600,000 with the addition of the new aerial truck and other vehicles recently added. Once we sell our other truck, our coverage limits will come back down again, as will our cost.

The coverage is again quoted for \$5 million of liability & property coverage and has deductibles of zero on liability and \$250 on our fleet coverage, property, inland marine and EDP (computer equipment). This year's premium again includes Boiler Insurance with Travelers Property Casualty with a \$2,500 deductible, which is the same coverage we've had for the past year through the PAR Plan.

Our current budget includes \$88,500 for all of our insurance coverage. The Michigan PAR Plan portion of insurance coverage is approximately \$80,000 in the 2012-13 Budget total for insurance. Other additional coverage purchased by the City is for underground storage tank coverage, airport management liability insurance, volunteer fireman coverage, lighthouse liability and our day camp policy.

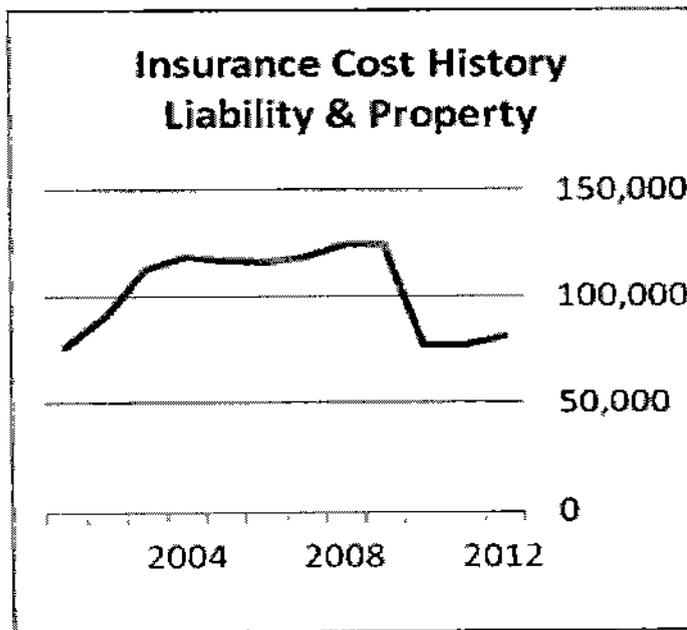
Our current cost for the year is less than our cost in 2002 with the Michigan Municipal League.

RECOMMENDATION:

I would recommend that City Council approve the renewal of the Liability & Property Insurance with the Michigan PAR Plan for the year beginning November 1, 2012 for \$81,425.

Cost History for MML/MI PAR Plan Coverage

2012	81,425	MPAR
2011	77,613	MPAR
2010	77,675	MPAR
2009	123,838	MML
2008	123,779	MML
2007	118,305	MML
2006	115,945	MML
2005	116,997	MML
2004	118,332	MML
2003	112,732	MML
2002	91,057	MML
2001	76,684	MML





MUNICIPAL UNDERWRITERS OF MICHIGAN
935 ROBINHOOD LANE ~ GRAYLING, MI 49738
Phone 888-883-6391 ~ Fax 989-348-4546
E-Mail polson@i2k.com

September 17, 2012

Richard Brandi, Treasurer
City of Charlevoix
210 State Street
Charlevoix, MI 49720

Dear Rick:

Enclosed you will find Summary of Coverage's and an Invoice for the City of Charlevoix's 2012-2013 insurance years. The Renewal date for your policy is 11/01/2012.

Presently, the structure of the Par Plan is better than ever, consisting of US Specialty Insurance Company. US Specialty Insurance Company's operating strategy is based on prudent capital management, and specializes in insuring specialty market business like the Michigan Township Participating Plan's program. The A.M. Best Company, which is the leading provider of insurance ratings, rated US Specialty with an "A+" for excellent financial strength.

The quoted premium is \$81,425.00. This is an increase of \$3,812.00 over last year's beginning premium of \$77,613.00. I have increased your property values 5%. There is also an additional charge of \$30.00 per vehicle through the MCCA. Auto Physical Damage has also been increased from \$4,205,098.00 to \$4,844,101.00.

If you have any questions regarding your insurance coverage's, please do not hesitate to contact me at 888-883-6391. Your continued support of the Michigan Township Participating Plan's insurance program is appreciated. It's been a privilege to have served the City of Charlevoix's insurance needs for the past 2 years. Thank you for your business.

Sincerely,

Paul W. Olson
Regional Risk Manager
MUM

Municipal Underwriters of Michigan

935 Robin Hood Lane
 Grayling, MI 49738
 888-883-6391
 polson@i2k.com

Invoice

Date	Invoice #
9/17/2012	1792

Bill To
City of Charlevoix 210 State Street Charlevoix, MI 49720

Account #	Policy Number
	HMTP-033055

Effective Date	Expiration Date	Insurance Company	Type of Coverage	Charge
11/1/2012	11/01/2013	Michigan Township Par Plan	Package Plan	81,425.00

YOUR POLICY IS IN FULL FORCE AND PAYABLE ON EFFECTIVE DATE. IF NOT WANTED, PLEASE RETURN IMMEDIATELY.

Total	\$81,425.00
Payments/Credits	\$0.00
Balance Due	\$81,425.00

Fax #
989-348-4546

City of Charlevoix
Premium Breakdown as of:
November 1, 2012

Property

210 State Street City Hall//Fire Hall	\$1,471.00
301 Park Bath House	\$ 33.00
Division Street Water Tower	\$ 66.00
1005 Lake Shore Drive Building 3	\$3,088.00
1005 Lake Shore Storage Building	\$ 3.00
1005 Lake Shore Drive Grit Removal	\$ 248.00
Chemical Containment Building	\$ 58.00
Depot Beach Lift Station	\$ 14.00
Depot Beach Picnic/Restrooms	\$ 60.00
229 Stover City Garage	\$ 133.00
229 N. Stover Salt Storage	\$ 7.00
400 Fairway Golf Clubhouse	\$ 58.00
855 Mercer Street Fertilizer Building	\$ 2.00
855 Mercer Street Pesticide Vault	\$ 3.00
855 Mercer Street Ambulance Storage	\$ 4.00
855 Mercer Maintenance Shop	\$ 23.00
855 Mercer Street Pole Barn	\$ 8.00
885 Mercer Street Contents Shed	\$ 1.00
98 Stover Road Cemetery Chapel	\$ 12.00
98 Stover Road Cemetery Storage	\$ 7.00
Grant Street Storage	\$ 11.00
Ferry Beach Restroom/Concession	\$ 30.00
Ferry Beach Fish Cleaning Building	\$ 2.00
Ferry Beach Picnic Pavilion	\$ 6.00
Ferry Beach Picnic Pavilion	\$ 4.00
Ferry Beach Restroom/Concession	\$ 23.00
Carpenter St. Press Box/Concession	\$ 7.00
Mt. McSauba Ski Lodge/Restroom	\$ 70.00
Mt. McSauba Half Way Tow Building	\$ 3.00
Mt. McSauba West Hill Tow Building	\$ 4.00
Mt. McSauba Top Tow Building	\$ 3.00
Mt. McSauba Operator Building	\$ 4.00
Mt. McSauba Groomer Garage	\$ 11.00
Mt. McSauba Ice Skating Shack and Deck	\$ 2.00
101 Airport Drive Terminal	\$ 155.00
101 Airport Drive Hanger	\$ 72.00
101 Airport Drive Hanger	\$ 28.00
101 Airport Drive Hanger	\$ 2.00
101 Airport Drive Hanger	\$ 39.00

101 Airport Drive Lift Station	\$ 65.00
101 Airport Drive Hanger Unit 1	\$ 11.00
101 Airport Drive Hanger Unit 2	\$ 11.00
101 Airport Drive Hanger Unit 3	\$ 10.00
101 Airport Drive Hanger Unit 4	\$ 10.00
101 Airport Drive Airport Hanger	\$ 66.00
101 Airport Drive Fuel System Station	\$ 3.00
101 Airport Fuel Tank and Equipment	\$ 23.00
101 Airport Drive SRE	\$ 350.00
109 Mason Rental Old Post Office	\$ 116.00
98 Grant Street Water Treatment Building	\$1,681.00
98 Grant Street Pump Station	\$ 221.00
Stover at M-66 Service Building	\$ 4.00
Stover @ M-66 Transformer/Fencing	\$ 88.00
401 Carpenter Electric Department/Street Dept.	\$ 63.00
401 Carpenter Fire Training Classroom	\$ 2.00
108 Park Ave. Conservancy House	\$ 40.00
101-109 Bridge Park Drive Coast Guard Storage	\$ 324.00
Lift Station Kmart/Wolahan M-66	\$ 11.00
Taylor and Ance Roads Lift Station	\$ 8.00
Matthews Lane Lift Station	\$ 5.00
Belvedere Ave. Round Lake Lift Station	\$ 5.00
Pine Club Drive Lift Station	\$ 5.00
Palmer Street @ Pine River Lift Station	\$ 8.00
Old Orchard Road Lift Station	\$ 7.00
Ferry Ave. and Eaton Lift Station	\$ 8.00
Mercer Blvd. Lift Station	\$ 6.00
Edgewater Inn @ Bridge Lift Station	\$ 5.00
Country Club Drive Lift Station	\$ 6.00
202-204 Bridge Park Drive Lift Station	\$ 29.00
1522 Bridge Street Lift Station	\$ 57.00
Ferry Ave. Depot	\$ 93.00
08825 Martin Road Service Building	\$ 6.00
08824 Martin Road Transformer/Fencing	\$ 103.00
South Breakwater South Pier Lighthouse	\$ 16.00
Harbor Master Building 100 E. Clinton	\$ 557.00
100 Clinton Street Performance Pavilion	\$ 483.00

Total **\$10,281.00**

Liability

Public Officials Wrongful Acts	\$3,767.00
Law Enforcement Liability	\$3,777.00

General Liability	\$ 10,612.00
Total	\$18,156.00
Inland Marine	
Misc City Property	\$ 202.00
Ancillary Fire Equipment	\$ 337.00
Contractors Equipment	\$3,778.00
Marina Slip Coverage	\$ 675.00
Misc. Ski Hill Equipment	\$ 135.00
Fuel Tank and Equipment	\$ 251.00
Total	\$5,378.00
Electronic Data Processing (Computers)	\$ 165.00
Vehicles (51)	
Total Automoble	\$39,166.00
Crime and Bonds	\$ 191.00
Equipment Breakdown (Boiler and Machinery)	\$ 7,900.00
Michigan DNR	
Dwelling Grant Street	\$ 23.00
4 Bay Storage Garage	\$ 13.00
Fish Culture Station	\$ 152.00
Grand Total	\$81,425.00