

**CITY OF CHARLEVOIX
REGULAR CITY COUNCIL MEETING MINUTES**

Monday, June 17, 2013 – 7:00 p.m.

210 State Street, City Hall, Council Chambers, Charlevoix, MI

The meeting was called to order at 7:00 p.m. by Mayor Norman L. Carlson, Jr.

I. Pledge of Allegiance

II. Roll Call of Members Present

Mayor: Norman L. Carlson, Jr.
City Attorney: Jim Young
City Manager: Rob Straebel
City Clerk: Carol A. Ochs
Members Present: Council members Lyle Gennett, Shirley Gibson, Jeff Porter, Greg Stevens, Gabe Campbell, Shane Cole
Absent: None

III. Inquiry Regarding Possible Conflicts of Interest

None.

IV. Consent Agenda

The following items were approved and filed:

A. Approval of Minutes – June 3, 2013 Regular Meeting Minutes

Motion by Councilmember Jeff Porter, seconded by Councilmember Shirley Gibson, to transcribe Mr. Ochs' comments under item F. Discussion Regarding Delinquent Payment of Freedom of Information Act (FOIA) Charges into the minutes verbatim.

Yeas: Gennett, Gibson, Porter, Campbell, Cole

Nays: None

Absent: None

Abstain: Stevens

B. Accounts Payable Check Register – June 5, 2013

C. Accounts Payable Check Register – June 12, 2013

D. Account Payable Check Register – June 18, 2013

E. Tax Disbursement – June 5, 2013

F. ACH Payments – June 3, 2013 – June 18, 2013

G. Payroll Check Register – June 7, 2013

H. Payroll Transmittal – June 7, 2013

I. Downtown Development Authority Board Resignation – Gina Whitney

Motion by Councilmember Lyle Gennett, seconded by Councilmember Shane Cole, to accept Gina Whitney's resignation from the Downtown Development Authority.

Yeas: Gennett, Gibson, Stevens, Porter, Campbell, Cole

Nays: None

Absent: None

V. Public Hearings:

None.

VI. Reports:

City Manager Rob Straebel stated that the Council was given a draft job description for the Community Economic Development Director. At their June 3 meeting, the City Council agreed to pursue the joint Economic Development Director position with the Downtown Development Authority (DDA), whereby the DDA would pay for 30 hours of the full-time position each week and the City would pay for 10 hours. At the June 10 DDA meeting, the DDA voted in favor of such a partnership with the City. He stated that they would like to begin recruitment for this position and will bring forward the job description for the position to the City Council for approval at a future meeting.

Councilmember Porter proposed a change to the job description. The rest of Council did not object. City Manager Straebel indicated he would make the change and bring the description back to the Council for approval within 2-4 weeks.

City Manager Straebel stated that Council members interested in attending the Michigan Municipal League (MML) conference in Detroit on September 17 – 20, should contact Linda Weller.

Councilmember Stevens stated that he also agreed that coordination with the Chamber, Convention & Visitors Bureau and others was a significant part of the Economic Development Director position and City Manager Straebel stated that he could also include interview questions related to coordination efforts between multiple agencies as part of the interview process.

VII. Requests, Petitions and Communications and Actions Thereon:

A. Presentation Regarding Lake Harbor Apartments Payment in Lieu of Taxes (PILOT) Program Ordinance.

Jeff Gates, TJ Acquisitions, stated that he was one of the owners of Lake Harbor Apartments located on Petoskey Avenue across from the golf across. He stated that they have been working with City Hall with regard to a PILOT Ordinance and that he had made a presentation to Council in early March as to what they planned to do with that development and the plans had not changed. He stated that Lake Harbor Apartments is an affordable housing development that was built under the USDA, Section 515 Program which is a program that encouraged the development of affordable housing in rural areas. The property was built in the early 1980's, and his partner and he acquired the property last year with the intent of assuming the existing mortgage with USDA and utilizing the federal low income housing tax credit program to preserve it as affordable housing. The federal low income tax credit program is administered by the Michigan State Housing Development Authority and it is a competitive process whereby his company competes with other developers around the State who are proposing to either create new affordable housing or preserve existing affordable housing. He stated that the process is very competitive and there are two funding rounds per year, one in August and one in February. He stated that those that are successful enough to procure these low income tax credits can then take those tax credits and sell them to banks and corporations which then raises equity which allows property owners to complete substantial renovations to the development. He stated that in the case of Lake Harbor Apartments, it was long overdue for a substantial rehab.

Mr. Gates stated that the property would continue to serve persons with low and very low incomes. He stated the average income

within the whole Section 515 program nationwide is around \$11,700 per year.

Mr. Gates stated that when they met with the City Council in March the direction was given to staff to develop an ordinance for the PILOT Program. The PILOT was intended to be a 10% PILOT which would mean that 10% of the rents less the utilities paid by the owner would be paid as the PILOT in lieu of the ad valorem taxes. When they first did the analysis it translated to about a \$5,300 reduction in taxes distributed between the State, the County and the City; after further discussion with the City Manager the figure was reduced to approximately \$4,000 per year and set a minimum payment of what the property would make at about \$12,600 per year. He further summarized other provisions of the proposed Ordinance.

Mr. Gates stated that they needed the PILOT to be able to compete for the federal low income tax credits and without the tax credits there would not be a financial vehicle available to complete the needed renovations to the property. He stated that the PILOT term was for 18 years.

City Manager Straebel stated that the City did send out letters to 11 taxing agencies that would be affected by this asking for their comments and no comments had been received to date. He stated that the payment in lieu of taxes would go up 2% each year to cover the cost of inflation.

Councilmember Porter asked if people would be displaced while the apartment renovations were ongoing and Mr. Gates responded that residents would not be displaced as they work around the residents.

Councilmember Gibson stated that she was not a proponent of not paying taxes, and she had read everything and believes that this is a benefit for the City so she had a positive feeling about this program.

The Mayor called for public comments. There were no comments. The Mayor closed the item to public comments.

Motion by Councilmember Shane Cole, seconded by Councilmember Gabe Campbell, to set a public hearing for July 1, 2013, at 7:00 p.m. in Council Chambers of City Hall on a PILOT Ordinance for Lake Harbor Apartments.

Yeas: Gennett, Gibson, Porter, Stevens, Campbell, Cole
Nays: None
Absent: None

David Gallent questioned if the cost savings to the company lead them to further development of low income housing in the City. Mr. Gates stated that they did not have plans in place at this time for future developments.

B. Discussion Regarding Grand Traverse Band of Ottawa & Chippewa Indians Grant Applications.

Mayor Carlson stated that the City is a vehicle for private entities to apply for grants through the Tribe and there were two grants in front of the Council for the City to submit on their behalf, one is for the Circle of Arts for scholarship and tuition assistance for art classes and Circle Camp for \$12,500, and the other is St. Mary's School for purchasing 25 iPads and accessories, 3 Apple TV's, PowerSync Cart and an IMAC computer for \$21,656.95. He stated that this does not cost the City any funds.

The Mayor called for public comments. There were no comments. The Mayor closed the item to public comments.

Motion by Councilmember Greg Stevens, seconded by Councilmember Lyle Gennett, to submit grant applications to the Grand Traverse Band of Ottawa and Chippewa Indians on behalf of the Circle of Arts and St. Mary School as outlined on p. 34 of the packet.

Yeas: Gennett, Gibson, Porter, Stevens, Campbell, Cole
Nays: None
Absent: None

C. Consideration of Contract with Charlevoix City Band.

Mayor Carlson stated that the City had budgeted \$4,000 to help the Charlevoix City Band and they provide musical programs downtown during the summer season.

The Mayor called for public comments.

Chip Terrill questioned the costs since they are volunteer performers.

Evelyn Wujcik, President of the Charlevoix City Band, stated that City money goes to the purchase of percussion instruments and their cases, chairs, and costs for a dinner at the end of the year to say thank you to the volunteer members of the band.

The Mayor closed the item to public comments.

Motion by Councilmember Shane Cole, seconded by Councilmember Greg Stevens, to approve the contract with the Charlevoix City Band as outlined on p. 37 of the agenda packet and to authorize the Mayor to sign the contract in the amount of \$4,000.

Yeas: Gennett, Gibson, Porter, Stevens, Campbell, Cole
Nays: None
Absent: None

D. Consideration to Approve Resolution Adopting Final Wastewater Treatment Plant Improvement Project Plan.

City Manager Straebel stated that this was a simple resolution to be passed in the latter part of the meeting authorizing the City Manager to be the representative for the City and officially adopting the Project Plan. He stated that the City Council had several presentations on this matter and this was a long process.

The Mayor opened the item to public comment. There were no public comments. The Mayor closed the item to public comment.

Action by resolution.

E. Consideration to Approve Proposal for Fire Hydrant Painting.

Public Works Superintendent Pat Elliott stated that in the approved FY 13/14 budget staff had included \$18,000 to sandblast, prime and paint 140 fire hydrants (approximately half of the City's fire hydrants). The purpose for completing the work is for general

aesthetics of the hydrants and because there are numerous coats of paint on the hydrants it makes it difficult to easily operate the hydrant nut and remove the caps to attach a fire hose. He stated that he was quite astonished at the big difference in the bid submittals, and therefore, he did a lot of research on this and he explained the difference in the proposals and the sandblasting process. He explained the reference checks he had conducted on the low bidder, and EPA and OSHA requirements, and he recommended that the City accept the low bid as provided from Giant Maintenance and Restoration, Inc. in the amount of \$14,189.

Mayor Carlson questioned if the project was phased in half because of cost and Mr. Elliott responded affirmatively, and Mayor Carlson questioned if it would be good to take advantage of the lower price and add 37 more hydrants. Mr. Elliott stated he would rather keep to the \$14,189 in that fund as there had been some small overages in the fund, but depending on their scheduling and when they can do the work he could look at the budget again to see if it could handle the additional \$4,000 to do more hydrants.

Councilmember Stevens stated that when this came up 2-3 years ago, they were going to have different colored tops on the hydrants to correspond with the amount of pressure available at each hydrant. Mr. Elliott stated that with this process the hydrant will be completely red and it does not take into account painting the nozzles a different color.

Mr. Elliott stated if Council could approve the item up to \$18,000 to add additional hydrants, he would confirm that his budget could support that amount.

The Mayor called for public comments.

Tom Ochs questioned since the fire hydrant would be only half enclosed during the painting process was there a change in how they can work when windy, and is that likely to change how fast and when they can work given windy conditions. Mr. Elliott responded that he did not have a completion deadline in the bid specs, but he did include that they cannot interrupt any of the downtown functions/events, and as far as weather in the bid specs was that they have to follow manufacturer's specs for dampness and such, and if it was windy they would not be spraying. He stated that approximately 75-80% of the fire hydrant is contained under the enclosure during the process.

Chip Terrell questioned how were the hydrants chosen, and from his standpoint they should do all the hydrants at once and not have a piecemeal approach.

The Mayor closed the item to public comments.

Motion by Councilmember Gabe Campbell, seconded by Councilmember Greg Stevens, to accept the bid as provided by Giant Maintenance and Restoration, Inc., in the amount of \$14,189 and schedule the first phase of our painting program with the option after further review of the Public Works Department Budget to spend up to \$18,000.00, with the optional decision to include additional hydrants to be made by the City Manager.

Yeas: Gennett, Gibson, Porter, Stevens, Campbell, Cole

Nays: None

Absent: None

F. Consideration to Approve Purchase of a One Ton Vehicle.

Public Works Superintendent Pat Elliott stated that in the approved FY 13/14 budget they had allocated \$33,200 to purchase a new one ton dump truck for the Electric Department and he explained that the truck would be an all-purpose vehicle for the Department. The one ton is required due to the weight of the materials to be hauled and for towing another piece of equipment. He stated this vehicle would be replacing a 1995 one ton dump truck, and the 1995 truck will be transferred down to the street garage and handed down to the cemetery and one of the older dump trucks will be retired.

The Mayor called for public comments. There were no comments. The Mayor closed the item to public comments.

Motion by Councilmember Shirley Gibson, seconded by Councilmember Shane Cole, to accept the bid from Bob Mathers Ford for a one ton dump truck in the amount of \$32,857.80 and to place the order for the vehicle as recommended by Mr. Elliot.

Yeas: Gennett, Gibson, Porter, Stevens, Campbell, Cole

Nays: None

Absent: None

G. Cost of Service Studies – Electric, Sewer, and Water.

City Treasurer Rick Brandi reviewed the item and explained that three proposals were received to reevaluate the City's cost of providing electric, sewer and water utilities. He stated that the cost of the wastewater portion of the study is rolled into the quote from Prein&Newhof as part of the S-2 grant which Council had already approved. He stated that the cost of three studies included: \$12,500 for electric, \$8,900 for wastewater and \$8,500 for the water portion. He stated the study will make sure that the utility rates reflect the City's costs to provide these services, and it will include a review of the City's 5-year capital plans and a reasonable rate of investment the City can earn on its monies to keep the utilities working properly. He stated that the recommendation is that Council would approve all three (3) proposals from Utility Financial Solutions although the wastewater portion is already included in the S-2 grant application.

The Mayor called for public comments. There were no comments. The Mayor closed the item to public comments.

Motion by Councilmember Lyle Gennett, seconded by Councilmember Gabe Campbell, to approve the three proposals from Utility Financial Solutions totaling \$29,900, with the understanding that the \$8,900 sewer portion of the studies being already included in the contract with Prein&Newhof.

Yeas: Gennett, Gibson, Porter, Stevens, Campbell, Cole

Nays: None

Absent: None

H. Consideration to Terminate Dock Lease with Sunset Watersports, Inc.

City Manager Straebel stated that Brett Campbell, owner of Sunset Watersports, was in his second year of a three-year lease for a commercial slip at the City Marina. Mr. Campbell would like the City to consider terminating his three-year lease. He stated that currently Mr. Campbell is obligated to pay \$3,360 per year and the termination agreement calls for Mr. Campbell paying the City \$2,000 to terminate the lease and he felt this would be revenue neutral as the slip will be open for the summer time. He felt that it was a good compromise for the City and Mr. Campbell.

Councilmember Gennett stated that in the future it should be written in the contract that termination is not allowed. Mayor Carlson stated that the company is going out of business, and the City gets \$2,000 and the dock is going to be open.

The Mayor called for public comments. There were no comments. The Mayor closed the item to public comments.

Motion by Councilmember Greg Stevens, seconded by Councilmember Shirley Gibson to approve termination of the boat dockage lease with Sunset Watersports, Inc.

Yeas: Gennett, Gibson, Porter, Stevens, Campbell, Cole
Nays: None
Absent: None

I. Status Report Regarding Fundraising Efforts for Costs Associated with Fireplace.

City Manager Straebel stated that to date the City had received \$5,770 in donations. He stated that they had a productive meeting with Mr. Terrill who is going to seek out additional funding over the next two weeks or so. He stated that included in the agenda packet is a letter from E. L. Saenger, Jr. regarding a proposal for a donation of \$1,250 conditioned upon the City either waiving Julee Roth FOIA's fees or rolling the fees into the overall cost of the fireplace whereby the City would have to recoup those costs. His recommendation was not to accept Mr. Saenger's offer. He stated that he felt that the City Council had made a wise decision at the last meeting to direct staff to take the FOIA issue to small claims court. He stated that if Ms. Roth was not going to pay for the FOIA request the overall taxpayers are going to pay for it and because she never actually picked up the documents that it was the right thing to take this matter to small claims court. He also questioned the ethics regarding the City taking money in consideration of not pursuing a legal matter and he did not think that would be setting good precedent and overall that would be bad governance.

Councilmember Campbell questioned why not just suggest that the gentleman pay the fee? Councilmember Gennett clarified that basically Mr. Saenger could pay Ms. Roth's FOIA fee to the City, or give the money to her and let her pay the City what was owed. Mayor Carlson stated he thought that was much cleaner than taking a donation and then forgiving something.

Councilmember Porter questioned the bills that were addressed to John Winn that the City paid and should the City take John Winn to court to collect that money. Mayor Carlson stated that the City Council voted to get past the fireplace issue and he felt that "we should quit referring to it and keep trying to bring stuff up on that when it was a different Council up here that made the decision. The new Council now knew full well that if they decided to stop the fireplace, the funding would go away". He thinks the Council needs to work together and move on.

Councilmember Campbell stated that he would like to get a more itemized list of the costs. Councilmember Gennett stated that when they review the Gift Policy they need to have wording so that situations such as this (waiving the FOIA fee) cannot happen.

Mayor Carlson asked if it was the general feeling that the Council agreed to not accept Mr. Saenger's donation with conditions and the Council agreed.

The Mayor called for public comments.

Chip Terrill asked that Council withhold judgment on Mr. Saenger's request until he has an opportunity to talk to him. Mayor Carlson stated that there was no motion and all that they have is some recommendations to the City Manager and he can handle it with Mr. Terrill and they were already working together on this matter.

Councilmember Porter questioned when individuals make donations if the City was sending out a thank you letter to the donors and City Manager Straebel responded that they could send thank you letters. Councilmember Porter felt that the letters should be done in a timely manner.

Mr. Terrill stated that the greatest thank you was no fireplace.

The Mayor closed the item to public comments.

J. Discussion Regarding Donation Acceptance Policy.

City Manager Straebel stated that, at the June 3 Council meeting, Council discussed revising the Donation Acceptance Policy and this item was to discuss the issues regarding the policy and possible names for a Committee to review the policy. He stated that the Policy has not been implemented at this point, and in the back parking lot there is an older boat that is proposed to be donated to the Fire Department. He felt it would be appropriate for Council to accept the donation of the boat in accordance with the Donation Policy. He stated that he believed that any of the Council members who felt that the Policy should be revised should also be sitting on the Committee to direct what part of the policy should be changed.

Councilmember Campbell stated that they should eliminate the language that says: "shall include the current proposal" related to the fireplace. He also did not like the language regarding that a donor should pay for the licensed contractor to install the donated element.

Councilmember Porter stated that he had two names to suggest: Robert Klein and Mary Lou Campbell. Mayor Carlson stated that he thought they were looking at each Councilmember and himself submitting one name and City Manager Straebel stated that they had not talked about the details. Councilmember Cole felt the Committee should not be more than five people. Councilmember Porter felt that this could all be done in one meeting if they were given the current Gift Policy ahead of time.

Mayor Carlson asked if anyone else had any names, and stated that he had asked three people but no one had confirmed as of yet. He felt that the City Manager should Chair the meeting. He stated that they would look for additional candidates and address this at the next Council meeting.

K. Consideration to Approve a Bid and Contract Documents for Apron Rehabilitation Project.

Airport Manager Scott Woody reported that the Airport Terminal Steering Committee met the previous week and voted 3 to 0 to postpone proceeding forward with the Airport Terminal Expansion and focus the City's efforts on a two-phase airport apron rehabilitation project (all the pavement in front of the terminal). He stated that costs associated with the terminal expansion project were an estimated \$711,000, and further explained the details of the FAA grant and that the local match had doubled from 2.5% to 5% while eligibility for the funding dropped from the 90% range to an estimated 58%. He stated staff discussed a contingency plan with the Council on December 17, 2012, and staff would like to complete major improvements to the apron in two phases: (1) \$200,000 apron project surrounding fuel farm for 2013; and (2) \$800,000 project for 2014. He stated that the local match is already

covered by reimbursement from previous projects.

Airport Manager Woody also explained that staff had checked with Michigan Department of Transportation (MDOT) regarding not accepting the lowest bid on the project and the City is required to accept the lowest, qualified bid. He recommended approval of a contract with Hunt Brothers in the amount of \$179,168 for the first phase of the apron rehabilitation project.

City Manager Straebel clarified that the \$750,000 is the City's match as the overall project costs are between \$2 and \$3.5 million and since the FAA was doubling the local match from 2.5% to 5% the City's out of pocket expenses will be higher and with the provision that the City pay fair market value for the Fresh Air Aviation building they were looking at a project with a cost close to a million dollars.

The Mayor called for public comments.

Chip Terrill stated he was not enthused about doing any major improvements to the airport. He stated that in the City's long term interests, the City should be looking at options on flat land south of the City for an airport location to be moved out of the City because the current airport property would be more valuable to the City later on and that the airport improvements were not a wise expenditure of taxpayer funds. Mayor Carlson indicated that the aprons had substantial cracking and that these were maintenance issues, not an addition to the airport.

The Mayor closed the item to public comments.

Motion by Councilmember Shirley Gibson, seconded by Councilmember Lyle Gennett, that, contingent upon a legal review and approval of contract documents, City Council approves contract documents and awards bid to Hunt Brothers, Concrete Contractors in the amount of \$179,168 for the first phase of apron rehabilitation project.

Yeas: Gennett, Gibson, Porter, Stevens, Campbell, Cole
Nays: None
Absent: None

VIII. Introduction and Initial Actions Relating to Ordinances or to Resolutions That Require Publication or Hearings Prior to Final or Further Action.

A. Introduction of Draft 2013 Zoning Ordinance/Request to Set Public Hearing.

City Planner Mike Spencer gave a general overview of the draft Zoning Ordinance. He stated that the original Zoning Ordinance was adopted in 1941 and revised in 1978. He proceeded to review specifics of the draft ordinance and responded to questions from the City Council. He stated that this has been a two-year process and that the Planning Commission was required to have one public hearing and they have had four.

City Planner Spencer stated that City Attorney Jim Young had completed the initial legal review of the Zoning Ordinance on behalf of the City and there were still some legal concerns to be addressed. Staff will be working with the City Attorney to summarize the recommended legal changes for the public and Council. He stated the plan was to provide Council with the opportunity to read the current proposed Ordinance and ask questions, and then at the next Council meeting he hoped to have the City Attorney's legal comments summarized, and then the public hearing would be on July 15. He proceeded to review the major changes in the proposed ordinance.

Councilmember Gennett questioned where the Township fits into this process. City Planner Spencer responded that the Township has not adopted building regulations. City staff had coordinated with the Township on adoption of the medical marijuana ordinance and on regulations for sexually-oriented businesses and it was also included in the Master Plan that the City should meet with the Township on an annual basis to discuss issues of mutual concern affecting the community. He stated that the draft Zoning Ordinance was sent to the Township for review and comment but that no comments had been received.

Councilmember Campbell stated that he would like to go over what specific changes were made and why. Mayor Carlson suggested that Councilmember Campbell meet with the City Planner in his office to review the changes. City Planner Spencer encouraged everyone to read the full document and he advised that he is generating a map that will show all the parcels that have changed "from X to Y", and indicated that he was willing to sit down with each Councilmember individually or the Council collectively to further review the changes. Councilmember Campbell stated that he also had some reservations because the City was not enforcing what was already in place. City Planner Spencer stated that he wanted to hear examples of what the City was not enforcing.

Councilmember Gibson stated that in the background information in the packet it references that there are numerous projects that are awaiting adoption of this Zoning Ordinance and questioned why they were waiting and City Planner Spencer stated that otherwise they would be denied under the current Ordinance and he gave examples of some of the issues regarding setbacks, non-conforming lots, lot coverage, and R-4 zoning.

Councilmember Porter stated that City Planner Spencer had mentioned several consultants at one point and then he had mentioned that LSL Consultants worked with the City on this Ordinance and City Planner Spencer stated that what he meant was several employees from LSL Consultants.

The Mayor called for public comments.

Mary Eveleigh stated that she attended the last Planning Commission meeting whereby the draft Zoning Ordinance was approved to forward onto Council and at that meeting before the vote there were additional changes so she questioned if the Planning Commission minutes should be approved prior to forwarding on the draft Ordinance to the Council so that the Planning Commission could ensure that the wording is exactly what they wanted to forward onto the Council. Mayor Carlson stated that a decision was not being made, the Planning Commission was forwarding on its recommendation to Council. Mrs. Eveleigh questioned if the Planning Commission has had the opportunity to see the changes being proposed by the City Attorney. Mayor Carlson stated that there will be more discussion and review of the changes recommended by the City Attorney at the July 1 meeting.

Mary Eveleigh stated that in 2004-2008 there were workshops regarding what the cities and townships all had in common and what to focus on and all agreed that their valuable assets were water and protecting the shorelines. She stated that the maps were redone in 2008 to identify the scenic reserve areas and she was very concerned that the proposed Ordinance allows boathouses in the scenic reserve. She stated that the City had strong ordinances to protect those sensitive areas and she wanted those to stay in place.

City Planner Spencer stated that the issue of allowing boat houses in the scenic reserve was discussed by the Planning Commission. Mrs. Eveleigh disagreed and stated that they never really talked about what the Watershed Commission had recommended for the City's ordinances.

City Planner Spencer stated that the Ordinance does take into effect recommendations from the "Tip o' the Mitt", but some of them were extreme. He stated that the proposed Ordinance has less of an emphasis on parking and more emphasis on green space and better storm water management. He stated that another example of protecting water resources was the lot coverage requirement which had only calculated buildings. He stated that most zoning ordinances factor in all impervious surfaces because all of those surfaces contribute to storm water management problems. He explained the only two locations in the scenic reserve that could accommodate/build boat houses and all the efforts the City was doing to protect waterfront resources.

Chip Terrill stated that he supported Councilmember Campbell in that it was very important to know what the changes were in the Ordinance. Mayor Carlson stated that he felt that the Council would do a good job of reviewing the proposed Ordinance and asking questions. Mr. Terrill stated that the Council needed to know where there was a taking in the case of downscaling someone's property and how that was affecting the value of that property.

The Mayor closed the item to public comments.

Motion by Councilmember Lyle Gennett, seconded by Councilmember Shane Cole, to set a public hearing for July 15, 2013, at 7:00 p.m. in Council Chambers of City Hall on a proposed zoning ordinance.

Yeas: Gennett, Gibson, Porter, Stevens, Cole
Nays: Campbell
Absent: None

IX. Resolutions.

- A. Consideration to Approve Resolution Adopting Final Wastewater Treatment Plant Improvement Project Plan.
Motion by Councilmember Jeff Porter, seconded by Councilmember Lyle Gennett to approve Resolution 2013-06-02 as follows:

**CITY OF CHARLEVOIX
COUNTY OF CHARLEVOIX
RESOLUTION 2013-06-02**

A RESOLUTION ADOPTING A FINAL PROJECT PLAN
FOR WASTEWATER TREATMENT PLANT IMPROVEMENTS AND
DESIGNATING AN AUTHORIZED PROJECT REPRESENTATIVE

WHEREAS, the City of Charlevoix recognizes the need to make improvements to its existing Wastewater Treatment Plant; and

WHEREAS, the City of Charlevoix authorized Prein & Newhof to prepare a Project Plan, which recommends: Construct basic plant upgrades in Headworks, Primary Settling, Aeration, Final Settling, Disinfection, Sludge Digesters, Sludge Thickening, Sludge Storage, Administrative Functions and SCADA, Odor Control, Site Lift Station Force Main, and Electrical and HVAC; Construct and implement an advanced wastewater treatment system including aeration tanks and air and piping systems that will enable the Wastewater Treatment Plant to meet the NPDES permit limits in accordance with the schedule of compliance; and

WHEREAS, said Project Plan was presented at a Public Hearing held on June 3, 2013, and all public comments have been considered and addressed;

NOW THEREFORE BE IT RESOLVED, that City of Charlevoix formally adopts said Project Plan and agrees to implement the selected alternative.

BE IT FURTHER RESOLVED, that the City Manager, a position currently held by Robert Straebel, is designated as the authorized representative for all activities associated with the project referenced above, including the submittal of said Project Plan as the first step in applying to the State of Michigan for a revolving fund loan to assist in the implementation of the selected alternative.

RESOLVED, this 17th day of June, A.D 2013.

Yeas: Gennett, Gibson, Porter, Stevens, Campbell, Cole
Nays: None
Abstain: None
Absent: None

X. Ordinances None.

XI. Miscellaneous Business.

Mayor Carlson stated that he had one clarification on the Committee to review the gift ordinance and asked should they not have to be residents of the City unless determined otherwise. City Clerk Ochs stated that they have done appointments two ways, people who are registered voters and people who are taxpayers. Councilmember Porter stated that the two people he suggested are registered voters and taxpayers. After discussion, Council agreed that those appointed to the Committee in question could be either a registered voter or a City taxpayer.

Councilmember Campbell stated that there was a sewer backup on Lincoln Street and two houses had sewer in their basements, and since it was two houses it was pretty obvious that it was a sewer problem and in one case the person has insurance that will pay up to \$5,000 but there was more than \$5,000 in damages and he felt that the City should make it right for the owner. City Manager Straebel stated that an incident report has been filed and an insurance claim will be filed, but typically the City's insurance doesn't pay for those types of claims; the homeowners' insurance would pay for that type of claim. Councilmember Campbell felt that the "City should make them whole" if their insurance does not pay the whole claim, and City Manager Straebel advised that he would report back on the status of the two incidents.

Councilmember Gennett stated that John Campbell called him and brought up the issue of a conservation easement on Mt. McSauba. He said that Mr. Campbell had already talked to the Township and he wanted to know if Council would be willing to put it on the agenda. City Manager Straebel stated that there had been discussion about placing a conservation easement on Mt. McSauba and delineating the uses on Mt. McSauba and any future uses that the City might want to look at, and the City Council at that time chose not to have that additional level of regulations seeing that it is a recreational area and not a nature preserve per se. Mayor Carlson asked that the previous information be shared with all members of the Council. City Planner Spencer stated normally when a conservation easement is placed on a property it's a private property owner who would get a significant tax break and in exchange for that, the land trust – Little Traverse Conservancy, basically has a legal agreement and nothing could be done on that property outside of that agreement. He stated that since it is a recreation area and if a new sport came in or someone wanted to put in a chairlift the City didn't want to be hindered by a third party to make that change or improvement. He felt that the same thing could be accomplished through deed restrictions rather than a conservation easement.

Councilmember Gibson questioned if the City was going to have the hanging flower baskets this year and City Manager Straebel stated that the baskets were staged next to the Chamber and would be going up that evening.

Councilmember Gibson stated that she had been getting calls about more businesses hanging t-shirts outside of their stores and some business owners did not like that. City Planner Spencer stated that there currently is no ordinance regarding hanging items outside, and that the issue was something Council could discuss during the July 1 meeting in conjunction with the proposed Zoning Ordinance. He said that it is "hard to regulate taste." He felt that it was an all or nothing situation that you either allow outdoor displays or not.

Councilmember Gibson stated that she had also gotten complaints about the noise from fireworks. City Manager Spencer stated that the City still has a nuisance ordinance in place that covers noise. City Attorney Young stated that the Council would need to have the discussion as to whether or not they wanted to regulate or ban fireworks. Councilmember Stevens stated that he has heard them as well, but he felt that the problem would be having the police officers going all over the City to try to stop the fireworks.

Councilmember Gennett stated that he did not get an answer with regard to the conservation easement and City Planner Spencer stated that staff could pull the information together including previous minutes and include it in the next packet and Mr. Campbell could talk about the issue at the July 1 meeting if needed.

City Clerk Ochs announced that she will be stepping down from her position as City Clerk effective Friday, June 28 with regrets. Councilmember Gennett stated that he was sorry to see the City Clerk leave her position. Councilmember Gibson questioned "no twist your arm at all". City Clerk Ochs stated that she felt that her competency has been questioned enough during the last several public meetings and she did not want to submit herself to that anymore. City Manager Straebel stated that he wanted to commend the City Clerk for the work she has done for the City of Charlevoix for the last nine years and that she always acted with grace and professionalism and he appreciates her dedication to public service.

XII. Audience - Non-agenda Input (written requests take precedent).

Bob Timms stated that he wondered if the Council members had the opportunity to go up to the west end of Clinton Street to observe the S-curve and he understood that some people have run over the new curbing and there was a fire truck issue and he felt that Mr. Malewitz should remove the obstacle at his expense. Councilmember Gibson stated that she liked it. Mr. Timms felt it was a major hazard, coming off of Park onto Clinton. City Manager Straebel stated that he had not heard of any issues with fire trucks through that area and last week they had a 45 foot bus go through there without any problems. Some of the complaints from the neighborhood had been about traffic going through there fairly quickly and there had been a safety issue with children playing in the area. He stated that the curve serves as a traffic calming measure and he felt it had been well received by the neighborhood. Councilmember Gennett stated he was up there when the bus went through there and he said that the only problem the bus would have had would have been if there had been a car parked in that very first parking space and he believed that the City was going to put a yellow line there and City Manager Straebel confirmed that staff was looking at that. City Planner Spencer stated that many communities were using similar features as traffic calming measures.

Tom Ochs stated that the City Manager had mentioned a boat being donated to the Fire Department for the dive team and he was curious as to whether or not the City was considering acceptance of that boat before the Donations Policy is finalized. Mayor Carlson stated that it would be Council's decision to look at it based on the acceptable use.

XIII. Adjourn

The Mayor stated if there were no objections, the meeting would adjourn.
 There were no objections.
 Meeting adjourned at 9:59 p.m.

Carol A. Ochs	City Clerk	Norman L. Carlson, Jr.	Mayor
	Accounts Payable – 06/05/2013		
DTE ENERGY	3,836.79	TOTAL	3,836.79
	Accounts Payable – 06/12/2013		
CITY OF CHARLEVOIX - TAXES DUE	18,027.87	TOTAL	18,027.87
	Accounts Payable – 06/18/2013		
ACE HARDWARE	2,809.93	CHARLEVOIX SCREEN MASTERS INC	1,758.50
ALL-PHASE ELECTRIC SUPPLY CO.	56.53	CHARLEVOIX-EMMET ISD	130.00
ALMY, KIM	25.00	CHARTER COMMUNICATIONS	1,026.28
AMERICAN TOTAL SECURITY INC	109.00	CITY OF CHARLEVOIX - MISC	109.71
AMERICAN WASTE INC.	125.00	CITY OF CHARLEVOIX - UTILITIES	24,984.20
AT&T	991.86	CIVIC SYSTEMS	15,900.00
AUTO VALUE	807.58	CLAUDIA SCHMIDT TRIO	750.00
AVFUEL CORPORATION	52,488.91	COMPLETE MUFFLER	16.54
CARQUEST OF CHARLEVOIX	1,263.30	CUSTOMIZED CLEANING SERVICES INC.	9,156.00
CCP INDUSTRIES INC	426.20	DELL MARKETING L P	742.00
CHARLEVOIX AGENCY	100.00	DISTRICT 21 SOFTBALL	100.00
CHARLEVOIX CAR WASH	79.65	DORNBOSS SIGN & SAFETY INC.	51.04
CHARLEVOIX COTTAGE CARE INC.	120.00	EAST JORDAN FAMILY HEALTH CTR	78.00
CHARLEVOIX COUNTY FIRE	50.00	EJ USA INC.	866.68
CHARLEVOIX COUNTY TREASURER	3,360.26	ELLSWORTH FARMER'S EXCHANGE	40.06

EMERGENCY MEDICAL PRODUCTS INC	180.80	NORTHERN MICHIGAN REVIEW INC.	689.32
EMMET BRICK & BLOCK	1,764.81	NYE UNIFORM CO	119.37
ETNA SUPPLY	1,950.00	OLD DOMINION BRUSH	434.62
FAMILY FARM & HOME	1,843.67	OLESON'S FOOD STORES	179.33
FREIDINGER M.D., REED K.	85.00	OMS COMPLIANCE SERV INC	157.50
FREIGHTLINER OF GRAND RAPIDS	100.29	OTEC	107.30
GALLS AN ARAMARK COMPANY	320.16	PARKS AUTO PARTS	110.00
GORDON FOOD SERVICE	63.92	PERFORMANCE ENGINEERS INC	5,661.75
GRAINGER	780.00	PISKURA, JOHN	17.21
GREAT LAKES PIPE & SUPPLY	647.29	POWER LINE SUPPLY	554.58
GSK ENTERPRISES LLC	750.00	PREFERRED WASTE 2 LLC	425.00
HACH COMPANY	776.17	REHMANN-ROBSON & CO	9,000.00
HARBOR FENCE COMPANY	120.00	RESIDEX LLC	678.00
HARBOR HOUSE PUBLISHERS	1,195.00	ROWE, ROBERT	32.79
HARRELL'S	1,808.88	SCHLAPPI, JAMES	396.95
HARVEY PhD., LYNN R.	858.84	SCHMUCKAL OIL CO	55.98
HYDE SERVICES LLC	177.54	SEARS COMMERCIAL ONE	54.96
INDEPENDENT DRAFTING SERVICES	1,984.00	SECURITY SANITATION INC.	380.00
ISLAND AIRWAYS	6.70	SEELYE EQUIPMENT SPECIALISTS	94.00
JACK DOHENY SUPPLIES INC	477.52	SOUND ENVIRONMENTS	651.50
KMart	35.96	SPARTAN STORES LLC	49.88
KORTHASE FLINN	1,264.17	STANLEY SECURITY SOLUTIONS INC	51.44
KSS ENTERPRISES	799.18	STATE INDUSTRIAL PRODUCTS	781.00
LAKESHORE TIRE & AUTO SERVICE	29.90	STATE OF MICHIGAN	190.00
LAKESIDE TOWING	75.00	SYSCO GRAND RAPIDS	184.90
LEOPARD BRANDS INC.	159.91	TRI-TURF	2,171.48
LERMA INC.	35.00	TURFGRASS INC	872.20
MD SOLUTIONS	21.27	UP NORTH PROPERTY SERVICES LLC	4,892.00
MDC CONTRACTING LLC	88,943.46	USA BLUE BOOK	503.61
METAL HEAD WELDING LLC	2,000.00	VILLAGE GRAPHICS INC.	177.00
MICHIGAN MUNICIPAL LEAGUE	1,814.00	VOGEL, BILL	40.00
MICHIGAN OFFICEWAYS INC	1,044.71	VOICE ENVIRONMENTAL GROUP LLC	3,293.52
MISS DIG SYSTEM INC	577.15	WALTERS SHARPENING SVC. INC.	72.00
NORTHERN CREDIT BUREAU	64.02	WARNER, JANINE	67.80
NORTHERN FIRE & SAFETY INC.	496.00	WILBERT BURIAL VAULT CO	936.64
NORTHERN MICHIGAN	20.00	WILLETT, KENDRA	2.53
NORTHERN MICHIGAN DUST CONTROL	1,488.00	WORK & PLAY SHOP	217.86
NORTHERN MICHIGAN JANITORIAL	83.85	TOTAL	267,668.42

Accounts Payable – 06/05/2013

Tax Disbursements

CHARLEVOIX COUNTY TREASURER	2,087.97	STATE OF MICHIGAN	8,529.61
CHARLEVOIX-EMMET ISD	988.47	TOTAL	11,606.05

ACH Payments –06/03/2013 – 06/18/2013

MI PUBLIC POWER AGENCY	37,665.89	MI PUBLIC POWER AGENCY	37,170.29
IRS (PAYROLL TAX DEPOSIT)	37,574.94	STATE OF MI (05/10/13 WITHHOLDING)	37,170.29
VANTAGEPOINT (457 ICMA PLAN)	12,923.67	STATE OF MI (May Sales Tax)	18,254.34
VANTAGEPOINT (401 ICMA PLAN)	713.78		
MI PUBLIC POWER AGENCY	34,882.57	TOTAL	183,718.24

PAYROLL: NET PAY

Pay Period Ending 06/01/2013 – Paid 06/07/2013

WELLER, LINDA JO	1,318.12	BLANCHARD, SCOTT W.	1,890.44
BRANDI, RICHARD M.	1,795.76	FRYE, EDWARD J.	966.85
LOY, EVELYN R.	977.00	JONES, TERRI L.	1,079.83
KLOOSTER, ALIDA K.	1,741.20	SWEM, DONALD L.	1,626.82
BROWN, STEPHANIE C.	1,242.55	EATON, BRAD A.	1,581.49
OCHS, CAROL A.	910.10	WILSON, TIMOTHY J.	2,317.80
SPENCER, MICHAEL D.	1,711.07	LAVOIE, RICHARD L.	1,165.75
SPENCLEY, PATRICIA L.	997.05	STEVENS, BRANDON C.	1,152.21
NASH, JENNIFER B.	837.82	WHITLEY, ANDREW T.	1,382.98
PANOFF, ZACHARY R.	702.10	DRAVES, MARTIN J.	1,599.66
CAREY, KEITH V.	2,745.97	ELLIOTT, PATRICK M.	1,527.14
DOAN, GERARD P.	1,379.75	MORRISON, KEVIN P.	949.59
SHRIFT, PETER R.	1,241.27	HODGE, MICHAEL J.	1,288.35
SCHLAPPI, JAMES L.	1,290.85	WELLS JR., DONALD E.	1,712.98
UMULIS, MATTHEW T.	1,377.18	BRADLEY, KELLY R.	1,343.62
HANKINS, SCOTT A.	1,651.00	WILSON, RICHARD J.	1,407.69
ORBAN, BARBARA K.	1,665.20	HART II, DELBERT W.	716.08
TRAEGER, JASON A.	1,619.19	JOHNSON, STEVEN P.	991.18
WARNER, JANINE M.	1,165.68	JONES, ROBERT F.	1,300.19
EVANS JR, HALBERT K.	1,407.82	DORAN, JUSTIN J.	1,374.90
KLOOSTER, PATRICK H.	204.43	BISHAW, JAMES H.	501.41
LEE, LOREN G.	453.84	TOWSLEY, CALVIN J.	565.94
WHALEN, ERIC J.	281.34	MANKER JR, DAVID W.	470.42
HUMBLE, NATHAN C.	603.41	MANKER SR, DAVID W.	552.09
TOFIL, MICHAEL E.	17.62	BECKER, MICHAEL S.	509.40
BINGHAM, LARRY E.	1,023.45	ADAMS, JUSTEENA R.	450.92
BALASZ, JANE T.	497.70	HERRIMAN, COBY M.	404.14
GREYERBIEHL, KELLY M.	520.72	LEUSINK, DANIEL L.	459.33
KALBFELL, ELLE L.	607.65	MCGHEE, ROBERT R.	1,038.42
IVAN, PAUL M.	1,689.18	BRADLEY, ASHLIE D.	516.70
SCHWARTZFISHER, JOSEPH L.	1,091.17	WILKIN, AMANDA J.	815.40
BRODIN, WILLIAM C.	1,467.59	STEBE, LAURA A.	126.85
RILEY, DENISE M.	339.79	AMSTUTZ, LINDA J.	254.23
MCDONNELL JR, JOHN W.	973.42	CRAIN, CODY A.	377.00
WURST, RANDALL W.	2,273.12	HEID, THOMAS J	1,245.15
MAYER, SHELLEY L.	1,281.84	WESCOTT, DENNIS M.	226.45
HILLING, NICHOLAS A.	1,203.68	BAIER, GEORGE A.	311.53
MEIER III, CHARLES A.	1,244.63	STEIN, DONNA E.	229.22
ZACHARIAS, STEVEN B.	1,129.96	GRUNCH, RONALD J.	287.10
NISWANDER, JOSEPH F.	1,237.72	DURRENBERGER, LARRY J	345.60

RYPSTRA III, BART	128.11	AOWN, JOSHUA M.	139.65
DAVIS, RONALD L.	195.95	CAMERON, DANIELLE Y.	507.00
GILL, DAVID R.	901.29	JAGER, SAMANTHA J.	51.94
MACLEOD, SAMUEL R.	480.33	KLOOSTER, SUSAN E.	71.01
STEIN, MARK G.	39.65	NEUMANN, DANA L.	468.46
WOODY, SCOTT R.	1,520.01	CURTIS, DENNIS E.	839.99
VANLOO, JOSEPH G.	738.47	TEUNIS, STEVEN L.	1,697.86
TOUGH, KENDALL J.	522.44	STRAEBEL, ROBERT J.	2,315.87
HAND, HEATHER K.	771.21	ROLOFF, ROBERT P.	1,243.12
SCHNEIDER, DENNIS R.	606.94		
RUPINSKI, PETER J.	528.87	TOTAL	96,749.96

PAYROLL: TRANSMITTAL
06/07/2013

AMERICAN FAMILY LIFE	402.61	MI STATE DISBURSEMENT UNIT	697.56
BAY WINDS FEDERAL CREDIT UNION	50.00	NORTHWESTERN BANK	300.00
CHAR EM UNITED WAY	103.54	POLICE OFFICERS LABOR COUNCIL	372.00
CHARLEVOIX STATE BANK	985.39	PRIORITY HEALTH	827.82
COMMUNICATION WORKERS OF AMER MERS	529.34 390.00	TOTAL	4,658.26