

CITY OF CHARLEVOIX
REGULAR CITY COUNCIL MEETING MINUTES
Monday, January 4, 2016 – 7:00 p.m.
210 State Street, City Hall, Council Chambers, Charlevoix, MI

The meeting was called to order at 7:06 p.m. by Mayor Gabe Campbell.

I. Pledge of Allegiance

II. Roll Call of Members Present

Mayor: Gabe Campbell
City Manager: Mark Heydlauff
City Clerk: Joyce Golding
Members Present: Councilmembers Shane Cole, Shirley Gibson, Aaron Hagen, Luther Kurtz, Leon Perron, Bill Supernaw
Absent: None

III. Inquiry Regarding Possible Conflicts of Interest

None.

IV. Consent Agenda

The following items were approved and filed:

- A. Approval of Minutes – December 21, 2015 Regular Meeting Minutes
- B. Special Accounts Payable Check Register – December 17, 2015
- C. Special Accounts Payable Check Register – December 21, 2015
- D. Regular Accounts Payable Check Register – January 5, 2016
- E. ACH Payments – December 21, 2015–December 31, 2015
- F. Tax Disbursement – January 5, 2016
- G. Payroll Check Register – December 31, 2015
- H. Payroll Transmittal – December 31, 2015

V. Public Hearings

None.

VI. Reports

City Manager Heydlauff extended his thanks to all who were involved in the successful New Year's Eve Bridge Drop celebration. He also thanked DPW and Electric crews who worked over the holiday to restore power and clean debris from wind damage.

VII. Requests, Petitions and Communications and Actions Thereon

A. Renewal of Chamber of Commerce Lease

In 2006, the City of Charlevoix executed a ten year lease agreement with the Charlevoix Area Chamber of Commerce for the use of 109 Mason Street with the option for an automatic extension for an additional five years. City Manager Heydlauff stated that pursuant to the agreement, Chamber President Alison Hubbard sent a letter in early December discussing the Chamber's intention to renew but, requesting some modifications to the lease. As a condition for renewal, the Chamber requested the City install a new roof on the building necessitated by an independent inspection at the cost of approximately \$20,000. City Manager Heydlauff stated that the Chamber is obligated to deposit \$2,500 annually for building maintenance as part of their lease and currently the account balance is approximately \$8,000.

City Manager Heydlauff proposed the following framework for the lease:

- Renew the lease for an additional five years at \$1 per year but, raise the maintenance account obligation to \$4,500 per year.
- The City will pay for the new roof installation and in turn will receive \$8,000 from the maintenance account for this work.
- Include language in the new lease to better define what type of maintenance should be performed and who would be financially responsible for maintenance issues.

City Manager Heydlauff indicated that both the Chamber and the Charlevoix Area Convention and Visitors Bureau requested to be named as joint tenants of the building. He is agreeable with this arrangement so long as they are jointly and equally responsible for default on the lease. Once Council approves the terms of the tentative lease, City Manager Heydlauff stated he will work with the City Attorney, Chamber and Visitors Bureau to finalize the lease.

Councilmember Gibson stated that this was a positive change and thanked the Chamber and Visitors Bureau. She approved of the new lease. Ms. Hubbard stated that daily traffic is strong and she was happy with the current location.

Mayor Campbell opened the item to public comment. There was no comment, and the item was closed.

Motion by Councilmember Hagen, second by Councilmember Gibson, to approve the framework for a new lease [with Charlevoix

Chamber of Commerce and Charlevoix Area Convention and Visitors Bureau] as proposed.

Yeas: Supernaw, Hagen, Kurtz, Perron, Gibson, Cole
Nays: None
Absent: None

B. Financial Audit Extension Letter

Treasurer McGinn stated that the City's contract with Rehmann Robson expired with our audit for the year ended March 31, 2015. Rehmann has offered to extend the contract for an additional three years at the existing fee of \$23,900, including Single Audit procedures, plus reimbursement for out of pocket expenses not to exceed \$1,500 annually.

Treasurer McGinn noted that the City has an excellent long-term working relationship with Rehmann and Staff recommended that the contract be renewed. She also noted that with several key Staff changes over the past year, the continuity of the auditing firm would be helpful.

Mayor Campbell opened the item to public comment. There was no comment, and the item was closed.

Motion by Councilmember Supernaw, second by Councilmember Cole, to accept the extension of the existing audit contract for the next three years with Rehmann [at an annual cost of \$23,900].

Yeas: Supernaw, Hagen, Kurtz, Perron, Gibson, 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

None.

IX. Resolutions

None.

X. Ordinances

None.

XI. Miscellaneous Business

Per the general consensus of the January 4th 2016/2017 Budget Work Session, the following topics were discussed and decided upon:

City Manager Heydlauff clarified that the Michigan State Waterways Commission (MSWC) allowed the Charlevoix Marina to charge by boat length rather than slip length. Councilmember Kurtz recalled that Council was in agreement to charge the Tier F rate during Venetian week, or the City rate if it is greater.

Motion by Councilmember Kurtz to have Venetian [transient dock] rates be Tier F or if we are already charging that rate or higher, leave what we have. Venetian would be defined as Thursday through Sunday.

Councilmember Kurtz retracted his motion.

It was generally agreed to charge the Tier F rate for the entire week if possible. City Manager Heydlauff suggested that Staff could discuss the Tier F rate change for the entire week or extended weekend with the MSWC. The fees would be solidified when Council approved the 2016/2017 rate schedule.

Motion by Councilmember Kurtz, second by Councilmember Gibson to direct the City Manager to discuss the Tier F [transient dock] rate change for Venetian week or extended weekend with the MSWC, whereby fees would be solidified when Council approves the 2016/2017 rate schedule.

Mayor Campbell opened the item to public comment. There was no comment, and the item was closed.

Yeas: Supernaw, Hagen, Kurtz, Perron, Gibson, Cole
Nays: None
Absent: None

Councilmember Cole stated that he would have no problem raising the rates for seasonal slips at the marina. Discussion revolved around City rates versus a published local marina rate and various rate options for the 2016/2017 budget year. City Manager Heydlauff indicated

that there was a wait list for seasonal slips which requires a \$100 deposit and how the list was managed. He stated that any rate changes would need to be approved by MSWC. Councilmember Gibson clarified that the object is not to compete with local marinas for business. She recommended Tier E.

Councilmember Cole suggested that Harbormaster Evans weigh in on the rate discussion and Councilmember Supernaw agreed. City Manager Heydlauff indicated that delaying any rate change would impact boaters wishing to renew their slip lease. He stated that Harbormaster Evans' recommendation was to keep rates the same.

Councilmember Kurtz suggested that if the City raises the rate and all of the slips are not filled, then the City may lower the rate. The Harbormaster could begin again at the top of the wait list and re-offer at the lower rate. He recommended moving the rate to Tier B plus \$10 or Tier C. City Manager Heydlauff commented that the move to Tier C may be cleaner with regards to MSWC approval. Councilmember Cole agreed with Tier C.

Mayor Campbell opened the item to public comment.

A woman in the audience felt that a 45' boat could self-sustain much easier than a 25' boat. 25' boaters would be more likely to go into town for food and the City would see some additional revenue from them versus a 45' boat where the City would not see revenue.

Jan Caubfel, City resident and former seasonal dock lessee, disagreed with the audience member's previous statement. She stated that smaller boats go into town for ice cream whereas large sustainable boats use the restaurants, bars and grocery stores. Bigger boats bring in more money and do not self-sustain while in port.

The item was closed to the public.

Motion by Councilmember Supernaw, second by Cole, to delay this decision until Harbormaster Evans is available to share his expertise.

Councilmembers Gibson and Cole restated Harbormaster Evans desire to leave the rates as is.

Councilmember Kurtz asked City Manager Heydlauff if Council could direct him to get comments from Harbormaster Evans and the MSWC. City Manager Heydlauff responded that if Council intends to raise the rate, it should be sooner rather than later. Councilmember Kurtz recalled that a seasonal rate increase was discussed during the last fiscal year's work session.

Councilmember Perron perceived that Council was in agreement to raise the rate, so he recommended that the rate move up at least one tier. Councilmembers Gibson, Hagen and Cole agreed to move the rate to Tier C.

Councilmember Supernaw requested that Harbormaster Evans attend the next meeting. Councilmember Gibson stated she would like to make a decision now. Discussion continued on Harbormaster Evans' availability and the need to make a timely decision. City Manager Heydlauff restated that Harbormaster Evans' opinion was to leave rates as is and that Council had strong discussion to raise rates at their 2016/2017 goal setting work session.

Yeas: None
Nays: Supernaw, Hagen, Kurtz, Perron, Gibson, Cole
Absent: None

Motion failed.

Motion by Councilmember Cole, second by Gibson, to raise the [Marina] Seasonal Fee Schedule from Tier B to Tier C.

Yeas: Supernaw, Hagen, Kurtz, Perron, Gibson, Cole
Nays: None
Absent: None

Councilmember Kurtz recommended that if boaters turn down the opportunity for a slip because of the new rate and Council amends the rate, those at the top of the wait list should be given another chance at the amended rate. Council concurred. City Manager Heydlauff stated he would contact MSWC with the proposed seasonal fee change to Tier C.

Council then generally agreed to approve the proposed Reserved Parking Fee of \$750 for the Acacia Lot, but discussed how many parking spaces should be reserved. City Manager Heydlauff confirmed with Council that their wish was to offer the increased rate to the existing 14 reserved parking space owners. If the offer is declined, the reserved parking area would be limited to ten spaces. City Manager Heydlauff will amend the fee schedule and resubmit to Council for their approval.

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

None.

XIII. Adjourn

Motion by Councilmember Hagen, second by Councilmember Kurtz to adjourn.
 Motion passed by unanimous voice vote. Meeting adjourned at 7:46 p.m.

Joyce M. Golding City Clerk Gabe Campbell Mayor

Special Accounts Payable – 12/17/2015

DEVERE CONSTRUCTION COMPANY	364,884.49		
PREIN & NEWHOF	32,475.94	TOTAL	397,360.43

Special Accounts Payable – 12/21/2015

AT&T	2,010.91	PRIORITY HEALTH	43,321.68
AT&T LONG DISTANCE	51.14	THE ANTENNA FARM	1,009.70
AT&T MOBILITY	74.51	VERIZON WIRELESS	56.72
CHARLEVOIX STATE BANK	3,434.01	VISION SERVICE PLAN	523.48
DELTA DENTAL	4,248.29		55,519.57
METLIFE SMALL BUSINESS CENTER	789.13	TOTAL	55,519.57

Regular Accounts Payable – 12/31/2015

AIRGAS USA LLC	144.60	KSS ENTERPRISES	9.83
BELFY, RONALD	21.49	KURTZ, JOHN	185.50
BENJAMIN, TRICIA	33.04	MANCUSO, MARILYN	11.00
CCP INDUSTRIES INC	418.72	MATYE, CHRIS	214.89
CHARLEVOIX COUNTY	871.50	MCCARDEL CULLIGAN-PETOSKEY	50.00
CHARLEVOIX COUNTY TREASURER	260.49	McGINN, KELLY	41.00
CHARLEVOIX TOWNSHIP	15.76	METZGER, CHARLES	100.00
CHICAGO LAND LLC	7,363.20	MI MUNICIPAL TREASURERS ASSOC	100.00
CINTAS CORPORATION	117.50	MICHIGAN CAT	115.26
COMPLETE MUFFLER	211.01	MICHIGAN GOVERNMENT	115.00
CROW, LISA	133.50	MICHIGAN RURAL WATER ASSN	330.00
CZAR, RON & LYNN	93.50	MICHIGAN WATER ENV ASSOC	400.00
DAKROUB, JOSEPH	75.00	MURASKY, THOMAS	38.00
DCASSESSING SERVICES	4,371.08	MYER, ELIZABETH A.	129.97
DeROSIA, PATTY	41.00	NEOFUNDS BY NEOPOST	5,010.00
DOAN, GERARD	41.00	NEOPOST USA INC.	1,704.00
DORAN, JUSTIN J.	43.00	NORTH COUNTRY POWER GENERATION	2,325.00
DOYLE, ANNIE	290.67	NORTHERN LIGHTS FAMILY	436.00
ECKHARDT, TRACI	75.00	OMS COMPLIANCE SERVICES INC	157.50
ELLIOTT, PATRICK M.	41.00	PANOFF, ZACH	41.00
EMMET COUNTY SHERIFF'S OFC	300.00	PERFORMANCE ENGINEERS INC	2,784.37
EVANS, HAL	41.00	POLLARD WATER	23.72
FASTENAL COMPANY	97.77	POWER LINE SUPPLY	281.00
FAZIO, CHRISTOPHER	110.00	PREIN & NEWHOF	503.75
FISHER SCIENTIFIC	175.72	PVS TECHNOLOGIES INC	6,335.84
FOX CHARLEVOIX FORD	71.50	QUICK CARE MEDICAL CENTER	105.00
GBS INC.	505.41	ROLOFF, ROBERT	41.00
GOLDING, JOYCE	41.00	ROLOFF, SHIRLEY	66.00
GREAT LAKES ENERGY	262.79	SCHMUCKAL OIL CO	54.85
GREAT LAKES PIPE & SUPPLY	623.37	SCIENTIFIC BRAKE & EQUIP CO	149.00
GRP ENGINEERING INC.	1,625.00	SNIDER, GLENN	44.00
HANKINS, SCOTT	41.00	STATE OF MICHIGAN	370.00
HEID, THOMAS J.	41.00	STATE OF MICHIGAN	3,000.00
HENRY, LINDA	165.00	SUPERIOR MECHANICAL	1,665.31
HEYDLAUFF, MARK L	41.00	SWEM, DONALD L.	292.85
IRISH BOAT SHOP	15.18	SYSTEMS SPECIALISTS INC	200.00
JACK DOHENY SUPPLIES INC	14.36	TERMINAL SUPPLY CO	185.34
JACOBSEN	110.38	TEUNIS, STEVEN	41.00
KELLER, JAMES	187.00	THORP, JOSEPH	33.00
KIRINOVIC, THOMAS	41.00	TOP QUALITY GLOVE	139.80
KLOOSTER, ALIDA K.	41.00	UNITED STATES PLASTIC CORP.	788.58

UP NORTH PROPERTY SERVICES LLC	448.00	WHITE, JULIE	1.35
USA BLUE BOOK	612.63	WORK & PLAY SHOP	156.22
WANEK, THOMAS	16.50	WYMAN, MATTHEW A.	41.00
WELLER, LINDA	41.00	TOTAL	49,147.60

ACH Payments – 12/21/2015 – 12/31/2015

MI PUBLIC POWER AGENCY	12,501.00	VANTAGEPOINT (401 ICMA PLAN)	686.22
MI PUBLIC POWER AGENCY	285,867.57	VANTAGEPOINT (457 ICMA PLAN)	13,286.50
IRS (PAYROLL TAX DEPOSIT)	28,461.62	MERS (DEFINED BENEFIT PLAN)	38,861.49
ALERUS FINANCIAL (HCSP)	420.00		
STATE OF MI (WITHHOLDING TAX)	4,036.64	TOTAL	384,121.04

Tax Disbursement – 12/22/2015

CHARLEVOIX COUNTY TREASURER	207,934.31	CITY OF CHARLEVOIX - MISC	92.60
CHARLEVOIX DISTRICT LIBRARY	75,500.44	CITY OF CHARLEVOIX - TAXES DUE	54,694.61
CHARLEVOIX PUBLIC SCHOOLS	6,199.22	J.S. REAL ESTATE INVESTMENTS LLC	79.79
CHARLEVOIX PUBLIC SCHOOLS	1,488.48	KWAPISZ, BRIAN	1,532.36
CHARLEVOIX PUBLIC SCHOOLS	70.44	NUCO 2 SUPPLY LLC	95.76
CHARLEVOIX PUBLIC SCHOOLS	724.63	RECREATIONAL AUTHORITY	13,765.52
CHARLEVOIX PUBLIC SCHOOLS	156.63		
CHEMICAL BANK	381.76	TOTAL	362,716.55

PAYROLL: NET PAY

Pay Period Ending 12/26/2015 – Paid 12/31/2015

WELLER, LINDA JO	1,648.71	LAVOIE, RICHARD L.	1,749.95
HEYDLAUFF, MARK L.	2,098.91	STEVENS, BRANDON C.	1,758.57
GOLDING, JOYCE M.	1,059.15	DRAVES, MARTIN J.	2,715.82
DEROSIA, PATRICIA E.	880.34	BROWN, STEPHANIE C.	1,020.34
DOYLE, ANNE E.	1,361.40	ELLIOTT, PATRICK M.	1,738.75
LOY, EVELYN R.	1,029.34	SCHWARTZFISHER, JOSEPH L.	1,004.28
KLOOSTER, ALIDA K.	1,441.44	WELLS JR., DONALD E.	1,228.46
GOLOVICH, KAREN J.	978.59	BRADLEY, KELLY R.	1,685.00
SPENCLEY, PATRICIA L.	1,066.75	JONES, ROBERT F.	1,079.08
PANOFF, ZACHARY R.	528.58	DORAN, JUSTIN J.	1,412.74
MILLER, FAITH G.	25.81	MCGHEE, ROBERT R.	907.25
LEESE, MERRI C.	36.94	KIRINOVIC, THOMAS F.	558.16
MCGINN, KELLY A.	1,455.85	BITELY, KATHERINE A.	410.04
DOAN, GERARD P.	1,514.74	BERTINELLI, DAVID P.	870.74
SHRIFT, PETER R.	1,681.61	HEID, THOMAS J.	1,244.00
SCHLAPPI, JAMES L.	1,273.04	MYER, ELIZABETH A.	1,622.72
UMULIS, MATTHEW T.	1,780.15	VANLOO, JOSEPH G.	379.15
HANKINS, SCOTT A.	1,466.07	WYMAN, MATTHEW A.	930.31
ORBAN, BARBARA K.	1,566.95	SCHRADER, LOU ANN	147.50
TRAEGER, JASON A.	1,471.31	BOSS, RYDER S.	426.44
MATELSKI, KIMBERLY A.	1,134.60	MILLER, WILLIAM S.	941.42
ROLOFF, ROBERT P.	1,415.52	JONES, LARRY M.	76.14
RILEY, DENISE M.	410.86	RILEY, DANIEL A.	190.01
LOPER II, GARY D.	166.07	TIMMS, ROBERT N	46.17
TEUNIS, STEVEN L.	1,665.09	LALEWICZ, AMELIA	46.17
WURST, RANDALL W.	1,368.99	SWEM, DONALD L.	1,789.96
MAYER, SHELLEY L.	1,214.64	WHITLEY, ANDREW T.	1,452.97
HILLING, NICHOLAS A.	1,572.52	MORRISON, KEVIN P.	990.26
MEIER III, CHARLES A.	1,920.64	HODGE, MICHAEL J.	1,252.39
ZACHARIAS, STEVEN B.	1,843.87	JOHNSON, STEVEN P.	1,191.62
NISWANDER, JOSEPH F.	1,373.26	BOSS JR, DALE E.	1,116.30
EATON, BRAD A.	1,703.30	HOLM, ARTHUR R.	383.63
WILSON, TIMOTHY J.	1,962.70	TOTAL	74,484.08

PAYROLL: TRANSMITTAL – 12/31/2015

4FRONT CREDIT UNION	248.46	CHEMICAL BANK	150.00
AMERICAN FAMILY LIFE	166.74	COMMUNICATION WORKERS OF AMER	525.02
AMERICAN FAMILY LIFE	311.88	MI STATE DISBURSEMENT UNIT	323.45
CHAR EM UNITED WAY	32.00	PRIORITY HEALTH	2,073.09
CHARLEVOIX STATE BANK	1,361.16	TOTAL	5,191.80