

CITY OF CHARLEVOIX
REGULAR CITY COUNCIL MEETING MINUTES
Monday, February 15, 2016 – 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 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 Shirley Gibson, Aaron Hagen, Luther Kurtz, Leon Perron, Bill Supernaw
Absent: Councilmember Shane Cole

III. Inquiry Regarding Possible Conflicts of Interest

Councilmember Hagen stated that he would abstain from the Food Truck Committee discussion.

IV. Consent Agenda

The following items were approved and filed:

- A. Approval of Minutes – February 1, 2016 Regular Meeting Minutes
- B. Special Accounts Payable Register – February 2, 2016
- C. Regular Accounts Payable Check Register – February 16, 2016
- D. ACH Payments – January 29, 2016–February 12, 2016
- E. Tax Disbursement – February 16, 2016
- F. Payroll Check Register – February 12, 2016
- G. Payroll Transmittal – February 12, 2016

V. Public Hearings

A. Conservation Easement Public Hearing

Last fall, Council discussed the concept of creating a conservation easement for the Mt. McSauba Recreation Area and Lake Michigan Beach Park. At both locations, an easement would exclude portions of the land currently in use for other activities (the Water Treatment Plant, the beach parking area, ski areas, lifts, etc.) An easement can permit the construction or re-construction of certain types of structures so long as they are included from the beginning. The easement is held by a third party who is responsible for ensuring the landowner, in this case the City, follows the terms of the restrictions. The City Attorney has determined implementing an easement will require a vote of the people of Charlevoix. Should Council desire, they could place this question before the voters.

Councilmember Gibson felt that the community should decide on conservation options, not City Council. The community should vote on whether or not they want a conservation easement.

Councilmember Kurtz felt that agreeing to put the question on the ballot would be perceived that he is endorsing the idea of an easement. Mayor Campbell did not agree and he stated that in a democracy the people should decide.

Councilmember Gibson stated that this is an issue and no previous Councils have allowed the question to go to the people for a vote. Councilmember Supernaw agreed.

Councilmember Hagen agreed that the people should vote, but questioned whether voters have all the information they need to make a wise decision. People are unaware that there are other options such as taking no action or making a change to the City Charter.

Councilmember Kurtz felt that everyone in the room wants to protect Mt. McSauba and Michigan Beach from development, but there are different ways to go about it.

Councilmember Supernaw recommended to “take no action” with the easement proposal because “we have complete control” and are “totally protected.”

City Manager Heydlauff quoted portions of the City Charter Section 2.16 Council-Powers and Limitations and answered questions from Council.

Mayor Campbell referenced trees being cut at Michigan Beach Park and felt those responsible should go to jail. He would like to see tighter restrictions.

Mayor Campbell opened the public hearing at 7:13 p.m.

John Campbell, 309 E. Dixon, recalled that former City attorneys placed deed restrictions on the Michigan Beach property but development occurred none the less. He indicated that if there was a conservation easement at Mt. McSauba the ski hill and skating pond would be excluded. He discussed situations at Mt. McSauba that occurred without zoning approval and the conflicts that disc golf creates. Mr. Campbell felt that the conservation easement should go to the public for a vote. He read a note from Tom Bailey, Executive Director of the Little Traverse Conservancy, who felt that natural resources should be protected from the ravages of civilization. Mr. Campbell confirmed for Councilmember Supernaw that the Northpoint property which is conserved was private property. Councilmember Supernaw questioned whether someone is interested in mining the property and Mr. Campbell responded that was true in the past, more than 45 years ago. Mr. Campbell recommended a conservation easement to enable a third party to monitor the land. Councilmember Supernaw stated that he "has faith in future city leaders" to manage the property. Discussion continued regarding past attorney opinions, disc golf and oversight of the property as well as the history of East Park.

Councilmember Hagen referenced a 2013 letter from the former City Attorney that indicated that a restrictive ordinance for the property would be another alternative to the conservation easement. Mr. Campbell questioned who would oversee the ordinance and stated that his goal is to "look to the future".

City Manager Heydlauff stated that the City Attorney determined that a conservation easement would be similar to the sale of the land therefore, a referendum would be needed. The City Manager discussed possible wording for the ballot.

Tony Duerr, 2nd Ward, referenced City Charter Section 2.16(f) and questioned whether Mt. McSauba was considered a park and whether Council could sell or dispose of it. He discussed his interpretation of the "100 foot rule". He recommended that the City Manager, City Attorney and stakeholders draft easement language prior to going to the voters.

City Manager Heydlauff clarified that the easement would perpetually protect the land. He stated that if Council would feel more comfortable with drafting the specific easement language prior to the vote, then the City Attorney would oblige.

Jo Anne Beemon, 204 Clinton, stated that she worked on conservancies for many years. She recommended that Council look at what the City should treasure, protect and leave to our children. Ms. Beemon shared her experiences with unprotected land and developers.

Diane Priess, 3rd Ward, shared her family's history with Northpoint. She felt that the Charter provides adequate coverage when it comes to the future sale of the Mt. McSauba property. Ms. Priess wondered if the Charter could be amended to include a conservancy and what limitations would Little Traverse Conservancy (LTC) place on the property. She questioned whether LTC would pay the City for its jurisdiction of the property. Ms. Priess recommended that the City should remain in control of the property to keep the usage of the property from becoming too restrictive.

Jodi Laurent, 1st Ward, felt that if Council decided against putting the conservancy question on the ballot, then this Council and all future Councils need to monitor the wishes of their constituents. She favored a vote to ensure that the voice of the people is heard.

Mary Frame, felt that the term "conservation easement" means different things to different people. She suggested that Tom Bailey should discuss easements and educate the public.

John Hess, 326 Meech, felt that there are state and local laws to protect the land and cited several examples. He asked "why do we want to tie the hands of a future Council?" Mr. Hess stated that he has extreme confidence in this Council and future Council's ability to represent the people. He does not see a need to put the question to a vote.

Marell Staffel, Charlevoix Township resident, is in favor of the easement and feels that the people should vote on the question. She suggested several ways to inform the public. Ms. Staffel expressed her opinion of the disc golf at Mt. McSauba.

Mary Eveleigh, 1st Ward, stated that it was a good idea to put the issue in front of the people. She feels that a conservation easement is a protection for the life of Mt. McSauba.

Greg Stevens, 2nd Ward, recalled that he sat on Council the last two times the idea of a conservation easement came up. His advice to Council was to be fully informed before making any decisions. Mr. Stevens stated that the previous Council took no action with regard to the easement.

Bob Timms, felt that the DNR would be involved if someone wanted to mine the property. He felt that if disc golf "is a real problem, then tear it out of there". He suggested that "if you don't want this to go through, then vote 'no' on it".

John Haggard, property owner, stated that he is not a firm believer in conservation easements unless he is allowed to bow hunt. He feels that putting a restriction on the future is not the proper thing for Council to do. Mr. Haggard advocates for the people putting a

petition on the ballot. He agreed with Mr. Timms' disc golf comment.

John Campbell, clarified that Council would hold public hearings after the vote before they make a decision on the conservation easement details. He stated that the property would still be owned by the City and there would be someone overseeing the usage of the property. He recalled ten year old proposed conservation language for Mt. McSaubia.

The public hearing was closed at 8:02 p.m.

Councilmember Gibson reiterated that the people should vote on a conservation easement. Councilmember Perron commented that the goal of a conservation easement is to preserve what is there. He favored the easement and wanted his constituents to have a vote.

Councilmember Kurtz felt that Council should consider other options such as a restricted ordinance or Charter amendment. He felt it would be good to have all the information regarding ways to protect the property before making a decision whether to send the question to the people for a vote. Councilmember Kurtz stated that an easement would be a restriction on Council if they decided to convey the property.

Mayor Campbell discussed Charter restrictions, Michigan Beach development and Teddy Roosevelt's vision for parks.

Councilmember Kurtz understood that a 2/3 vote of the people was required to amend the Charter.

Motion by Councilmember Kurtz, second by Councilmember Hagen, to direct the City Manager to look further into the Charter amendment option so we can have as much information as possible before making a decision as to which option is best and postpone the decision on the conservation easement until the first meeting in July so we will still have time to get it on the November ballot.

Councilmember Perron commented that a Charter amendment took an incredible amount of Staff time in addition to City Attorney fees. He stated that an amendment would cover 75-80% of what an easement would do. Councilmember Perron felt that pursuing other options was "muddying the water". Councilmember Gibson agreed.

Councilmember Hagen stated that the cost of research is a small price to pay for "in perpetuity". He felt Council should be responsible by having all the information and options before putting the question on the ballot. Councilmember Kurtz stated that an alternative option would provide some flexibility in the future.

Councilmember Supernaw questioned Mr. Campbell regarding the timetable for a decision. Mr. Campbell responded by asking who would enforce the Charter and who would be the professional to guide Council as to the use of the property? Mr. Campbell also suggested that a petition is another avenue, but petitions sometimes create animosity. He felt that this positive presentation to Council was the "proper way to go". He stated that the July deadline included in the motion on the table would make it difficult to get the question on November's ballot.

Councilmember Hagen questioned how long it would take to learn about a restrictive ordinance. City Manager Heydlauff responded that the City Attorney could provide timely information.

Councilmember Gibson asked if Council could see draft ballot language. City Manager Heydlauff replied that Staff was willing to supply any information or research that is requested. He reiterated the City Attorney's original opinion.

Yeas: Hagen, Kurtz
Nays: Perron, Gibson, Supernaw
Absent: Cole

Motion failed.

Motion by Councilmember Gibson, second by Councilmember Perron, to direct Staff to draft the required ballot language to place the conservation easement on the November [2016] ballot.

City Manager Heydlauff clarified that the City Attorney would do research on the ballot question which would then be brought back to Council for their approval. The detailed easement language would also be drafted for approval. Councilmember Gibson confirmed that this was her intent of the motion. City Manager Heydlauff explained the ballot wording process.

Councilmember Supernaw discussed his meeting with State Representative Triston Cole and Public Act 571 noting that there is a

timeframe that needs to be followed with regards to disseminating public information about ballot proposals.

Councilmember Kurtz stated he would not be in support of this idea without having all of the information. If the motion doesn't pass, he invited Council to participate in the Charter amendment process.

Councilmember Supernaw questioned whether a motion was necessary to have the City Attorney prepare language. Members of Council responded yes and indicated that a motion was on the table.

To clarify, Councilmember Gibson restated her motion to direct Staff, including the City Attorney, to draft the required ballot language and bring back to Council for final approval to place the conservation easement on the November [2016] ballot.

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

Mayor Campbell called for a short recess at 8:19 p.m. Council resumed at 8:26 p.m.

B. Budget Amendment for 2015-2016

The 2015-2016 Budget Amendment aligns our action spending from the last year with our budget. City Manager Heydlauff stated that in general, spending was at or below expectations with revenue up in some key areas. Tax revenue beat expectations with General Fund revenue exceeding expectations by just over \$91,000; overall General Fund expenditures were even and came in about \$1,000 below budget.

Mayor Campbell opened the public hearing at 8:28 p.m. There was no public comment, and the public hearing was closed at 8:28 p.m.

Action by Ordinance.

C. 2016-2017 Budget Ordinance

At the last meeting, City Manager Heydlauff submitted the final budget recommendation from Staff and the ordinance to approve it.

Mayor Campbell opened the public hearing at 8:29 p.m.

John Haggard, suggested that Council increase the City Attorney line item to include an additional \$25,000-30,000 for costs associated with drafting the conservation easement.

The public hearing was closed at 8:31 p.m.

Action by Ordinance.

VI. Reports

City Manager Heydlauff congratulated the Charlevoix Rayders Wrestling Team for making it to District finals. He also expressed his appreciation to Treasurer McGinn and her staff for their efforts working during the budget process.

VII. Requests, Petitions and Communications and Actions Thereon

A. Food Truck Committee Report and Proposal

Maureen Owens, Food Truck Committee Member, recalled that last fall Council created a Food Truck Committee to study the issue of food trucks in Charlevoix and offer recommendations to Council on how best to proceed. After three meetings, the following proposal was unanimously approved by the Committee on February 9:

"We propose a pilot program for food trucks, not during a scheduled festival, from May 15-November 15, 2016. Up to three food trucks would be permitted and scheduled in advance with the City Clerk's office for designated locations. Locations would rotate daily and would be set in advance. An application shall be developed and fee(s) charged for the use of these locations."

Among the locations the committee is considering: East Park (Clinton Street parking area), McSauba parking area, golf course club house area, Depot Beach, Library (Marina lot), Michigan Beach, and Ferry Beach.

Ms. Owens asked Council for further guidance. Councilmember Gibson felt that the committee should look at other food truck communities to structure fees. Councilmember Kurtz suggested that fees should be low during the pilot program to encourage participation. Councilmember Gibson disagreed. Ms. Owens stated the committee will solicit other communities before establishing

fees.

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

B. Resolution to Adopt Rates & Fees Associated with 2016-17 Budget

The City annually approves a comprehensive fee and rate schedule for all services we provide. City Manager Heydlauff stated the fee and rate schedule was changed per Council's direction. Notable rate changes this year include:

- Seasonal Marina slips move up to Tier C (30-40% increase)
- Water rates move up by 15% (or \$3-5 per month for a family)
- Sewer rates move up by 18% (or \$10-12 per month for a family)
- Acacia Lot parking spaces increase to \$750 per year

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

Action by Resolution.

C. Consideration to Approve the Mt. McSauba Camp Director Job Description

City Manager Heydlauff proposed a revision to the Mt. McSauba Camp Director job description. The previous Camp Director, Linda Amstutz, advised the City that she will not be returning this summer. In preparation to begin recruitment efforts, the job description was evaluated and determined to need an update due to State of Michigan licensing requirements for Camp Directors.

Motion by Councilmember Gibson, second by Councilmember Kurtz, to approve the Mt. McSauba Camp Director Job Description as presented [dated February 15, 2016].

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

D. Internal Loan Policy

City Manager Heydlauff stated that there have been several questions about loans made between funds within the City. The policy would outline the terms and conditions necessary for Council to approve a loan from one fund to another. Internal lending is permissible under Michigan law and the City accounts for those loans. City Manager Heydlauff noted that this is was a housekeeping issue to clarify terms of all loans going forward. He stated that the interest rate would be the most recent Statutory Judgment rate as established by the State of Michigan.

Motion by Councilmember Kurtz, second by Councilmember Perron, to approve the City of Charlevoix Internal Loan Policy as proposed.

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

E. ICMA Retirement Corporation Governmental Money Purchase Plan and Trust Adoption Agreement

Treasurer McGinn stated that the City originally adopted the ICMA Retirement Corporation Prototype Money Purchase Plan and Trust Adoption Agreement on June 5, 1992. Since this time, the agreement has had no changes. ICMA is requiring the City of Charlevoix to update the Adoption Agreement as required by the IRS. The new agreement was completed without any modification from the agreement set forth in 1992.

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

Motion by Councilmember Supernaw, second by Councilmember Hagen, to approve the City of Charlevoix ICMA Retirement Corporation Governmental Money Purchase Plan and Trust Adoption Agreement as proposed.

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

F. Resolution Opposing Line 5

Councilmember Gibson explained that Line 5 is a pipeline running under the Straits of Mackinac connecting the Upper and Lower Peninsulas. Were there to be a rupture in this pipeline, contamination could quickly spread in the Great Lakes including to our area

where we derive our drinking water from Lake Michigan. She indicated that this resolution is non-binding and merely expressed the sentiment of Council. There are 12 other municipalities that passed similar resolutions. Councilmember Gibson discussed the importance of the Great Lakes and stated that it was not "if there is an oil spill with Line 5, it's when". She briefly reviewed Enbridge Inc.'s, track record (owner of the pipeline).

Councilmember Hagen stated that the real risk of an oil spill in the Straits would be how fast it would affect Charlevoix's water supply.

Councilmember Supernaw stated that Representative Triston Cole is convinced that Enbridge's Line 5 is the safest pipeline that he is aware of. He indicated that Representative Cole said that the resolutions are meaningless and carry no weight. Councilmember Supernaw discussed the financial impact to the state if Enbridge is put out of business. He stated that he is hesitant to "jump all over somebody for something that might possibly happen. It is just another meaningless resolution that carries no weight."

Discussion continued regarding whether the resolution may have some positive influence on policy.

Mayor Campbell opened the item to public comment.

Bill Henne, W.A.T.C.H. member, felt that everyone is responsible for protecting Lake Michigan. He stated that "Enbridge gets the profits, Canada gets the oil, and Michigan gets the risk." He urged Council to pass the resolution.

The item was closed to the public.

Action by Resolution.

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

A. Resolution to Adopt Rates & Fees Associated with 2016-17 Budget

Motion by Councilmember Kurtz, second by Councilmember Gibson, to approve Resolution 2016-02-02 Rates & Fees Associated with the 2016-17 Budget, as follows:

**CITY OF CHARLEVOIX
RESOLUTION NO. 2016-02-02
RATES & FEES ASSOCIATED WITH THE 2016-17 BUDGET**

WHEREAS, the City of Charlevoix annually must adopt a balanced budget to comply with the City Charter; and

WHEREAS, the City of Charlevoix in preparing the budget, assumes the adoption of rates and fees for various services they provide in order to pay for those services in whole or in part as proposed in their annual budget; and

WHEREAS, the City of Charlevoix defines all of their rates and fees in the rate section of the proposed budget; and

WHEREAS, the City of Charlevoix proposes to make these rates and fees effective on April 1, 2016.

NOW THEREFORE BE IT RESOLVED that the City of Charlevoix adopts all rates and fees included in the 2016-17 Proposed Budget with changes to the rates and fees for the following areas: utility rates for electric, sewer and water and fees for the following services: airport, golf, parking fines, fees and spaces, Ferry Beach boat launch ramp parking fees, miscellaneous fees, FOIA requests, golf, planning and zoning and recreation.

RESOLVED, this 15th day of February, 2016 A.D.

Resolution adopted by the following yea and nay votes:

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

B. Resolution Opposing Line 5

Motion by Councilmember Gibson, second by Councilmember Hagen, to approve Resolution 2016-02-03 Stopping the Transportation of Oil Under the Great Lakes (Shut Down Line 5), as follows:

**CITY OF CHARLEVOIX
RESOLUTION NO. 2016-02-03**

STOPPING THE TRANSPORTATION OF OIL UNDER THE GREAT LAKES (SHUT DOWN LINE 5)

- WHEREAS,** Line 5 is a set of twin, 62-year-old pipelines owned by Enbridge that carry light crude oil and natural gas under the Straits of Mackinac; and
- WHEREAS,** the currents in the Straits of Mackinac at peak volumetric transport can be more than 10 times greater than the flow of Niagara Falls and switch bi-directionally from east to west every few days, and according to a 2014 University of Michigan study are the "worst possible place" for an oil spill in the Great Lakes; and
- WHEREAS,** the Great Lakes contain 20 percent of the world's fresh, available, surface water and are a drinking water source for over 35 million people; and
- WHEREAS,** one out of every five jobs in Michigan is linked to the high quality and quantity of fresh water in the Great Lakes; and
- WHEREAS,** tourism is one of Michigan's largest income industries bringing in billions of travelers dollars spent each year; and
- WHEREAS,** agriculture, fisheries, shipping and industry depend on the health of the Great Lakes; and
- WHEREAS,** in 2009 the Great Lakes were linked to over 1.5 million jobs, with Michigan accounting for 35 percent of those jobs; and
- WHEREAS,** Enbridge has a shaky track record that includes 1,244 reportable spills, leaks and releases from 1996 to 2013; and
- WHEREAS,** Enbridge was in violation for their spacing requirements of its 1953 easement for Line 5 in 2014 and were responsible for a pinhole leak in a section of the pipeline north of the Straits in December 2014; and
- WHEREAS,** Enbridge was responsible for one of the worst and most expensive oils spills in U.S. history when Line 6b ruptured near Kalamazoo in 2010 allowing almost 1 million gallons of tar sands oil to leak for 17 hours before shutting down the line; and
- WHEREAS,** corrosion is the number one reason that pipelines fail; and
- WHEREAS,** Line 5 was built before the Great Lakes Submerged Lands Act was adopted so it didn't have to obtain a permit and ensure that the pipeline wouldn't pose a threat to the waters or the public's use of the waters; and
- WHEREAS,** Michigan's Attorney General Bill Schuette has stated (in regards to Line 5) that the "pipeline wouldn't be built today" and that "the pipeline's days are numbered"; and
- WHEREAS,** the Coast Guard Commandant testified before Congress in 2015 that the Coast Guard would be unable to respond effectively to an open water oil spill in the heart of the Great Lakes; and
- WHEREAS,** there is no plan for how to recover oil if there was a leak during the winter when the lakes are covered with ice; and
- WHEREAS,** as Michiganders we have a responsibility to be wise stewards of the waters of our state for generations to come; and
- WHEREAS,** the City of Charlevoix relies solely on the clean waters of Lake Michigan to provide drinking water to our residents and visitors; and
- WHEREAS,** protection of Michigan's water supplies and resources is better accomplished by prevention of contamination and environmental degradation, rather than attempting to clean up contamination and restore degraded environments after the fact.

NOW, THEREFORE, BE IT RESOLVED, that on February 15, 2016, the City of Charlevoix supports stopping the transportation of oil under the Great Lakes; and

BE IT FURTHER RESOLVED, that the City of Charlevoix supports shutting down Line 5 and the flow of oil under the Great Lakes, and

BE IT FURTHER RESOLVED, that the City of Charlevoix supports H.R. 182 and C.R. 15 introduced by State Representatives Sarah Roberts and Jeff Irwin calling on Governor Rick Snyder and Attorney Bill Schuette to shut down Line 5, and

BE IT FURTHER RESOLVED that the City of Charlevoix will send a letter to Governor Rick Snyder, Attorney General Bill Schuette, our State Representatives, State Senators and U.S. Senators calling on them to take swift action to shut down Line 5.

RESOLVED this 15th day of February, 2016 A.D.

Resolution was adopted by the following yeas and nays vote:

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

X. Ordinances

A. Budget Amendment for 2015-2016

Motion by Councilmember Gibson, seconded by Councilmember Hagen, to approve Ordinance No. 775 of 2016, as follows:

**CITY OF CHARLEVOIX
ORDINANCE NO. 775 OF 2016
2015-16 BUDGET AMENDMENT #1**

The Budget for the fiscal year beginning April 1, 2015 shall be amended for operating the City of Charlevoix. Ordinance #770-2015, the Budget Appropriation Act of 2015-2016 is hereby amended as follows:

		Original Budget	Amended Budget	Net Change
General Fund	RV Total	3,879,600	3,971,129	91,529
- Legislative	EX Total	41,700	71,866	30,166
- General Government	EX Total	588,900	577,213	(11,687)
- Public Safety	EX Total	1,115,900	1,117,005	1,105
- Public Works	EX Total	233,600	240,627	7,027
- Health and Welfare	EX Total	387,600	387,841	241
- Recreation & Culture	EX Total	1,519,600	1,501,550	(18,050)
- Other	EX Total	50,800	40,966	(9,834)
Major Street Fund	RV Total	1,179,605	1,180,157	552
	EX Total	1,178,600	1,178,340	(260)
Local Street Fund	RV Total	118,693	118,702	9
	EX Total	115,300	115,218	(82)
DDA Fund	RV Total	584,100	563,679	(20,421)
	EX Total	563,500	547,052	(16,448)
Airport Fund	RV Total	3,158,300	2,866,500	(291,800)
	EX Total	1,753,500	1,480,160	(273,340)
PI#5 - Sewer Capital Fund	RV Total	100	6,100	6,000
PI#6 - Infrastructure Improvements Fund	RV Total	451,000	500,134	49,134
	EX Total	703,600	712,626	9,026
PI#7 - Street Improvements	RV Total	220,700	233,610	12,910
PI#9 - Industrial Park Fund	RV Total	36,030	30	(36,000)
	EX Total	81,500	5,000	(76,500)
PI#12 - Mt. McSauba Recreation Improvement Fund	RV Total	5,700	30	(5,670)
	EX Total	1,700	0	(1,700)
Electric Fund	RV Total	7,233,537	7,130,905	(102,632)
	EX Total	8,049,200	7,501,702	(547,498)
Sewer Fund	RV Total	9,586,100	11,452,095	1,865,995
	EX Total	9,942,700	11,510,586	1,567,886
Water Fund	RV Total	1,253,700	1,614,150	360,450
	EX Total	1,636,400	1,778,818	142,418
Marina Fund	RV Total	720,010	771,651	51,641
	EX Total	1,354,295	1,360,614	6,319
DPW Site Fund	EX Total	4,000	404,000	400,000
Employee Fringe Benefit Fund	RV Total	2,283,400	2,317,800	34,400
	EX Total	2,242,300	2,271,507	29,207
Motor Pool Fund	RV Total	778,500	705,811	(72,689)
Motor Pool Fund	EX Total	1,084,500	941,477	(143,023)
<u>Bad Debt Write-Offs</u>				
General Fund	24,777	ambulance		
Motor Pool Fund	-			
Electric Fund	7,094			
Water Fund	1,470			
Sewer Fund	2,383			
2014-2015 TOTAL:	\$35,724			
2014-15	\$55,724			
2013-14	\$45,663			
2012-13	\$76,613			
2011-12	\$31,720			

Ordinance # 775 was enacted on the 15th day of February, 2016 A.D., by the Charlevoix City Council as follows:
 Motion by: Councilmember Gibson
 Second by: Councilmember Hagen

YEAS: Perron, Gibson, Supernaw, Hagen, Kurtz
 NAYS: None
 ABSENT: Cole

State of Michigan)
) ss
 City of Charlevoix)

Joyce M. Golding, Clerk
 Gabriel Campbell, Mayor

- B. 2016-2017 Budget Ordinance
 Motion by Councilmember Gibson, seconded by Councilmember Kurtz, to approve Ordinance No. 776 of 2016, as follows:

**CITY OF CHARLEVOIX
 ORDINANCE NO. 776 of 2016
 BUDGET APPROPRIATION ACT**

THE CITY OF CHARLEVOIX ORDAINS:

WHEREAS, the City Council of the City of Charlevoix did give notice of the time and place when a public hearing would be held in conformity with provisions of Section 7.8, Article VII of the City Charter, which Public Hearing was duly held pursuant to said notice and in conformity therewith;

THEREFORE, BE IT RESOLVED, that the revenues and expenditures for the fiscal year commencing on April 1, 2016 and ending March 31, 2017 are hereby appropriated on a fund level basis (a detailed breakdown by activity level can be found in the Budget Details document) as summarized by the following:

GENERAL FUND

REVENUE:	TOTAL REVENUES:	\$3,692,600 =====
EXPENSE:	TOTAL EXPENSE:	\$3,692,600 =====

BE IT FURTHER RESOLVED, that the City Council of the City of Charlevoix does hereby levy a tax of 11.1093 mills (9.05 mills operating and 2.0593 mills infrastructure) for the period of April 1, 2016 through March 31, 2017 on all real and eligible personal property in the City of Charlevoix according to the valuation of the same. This tax is levied for the purpose of defraying the general expense and liability of the City of Charlevoix and for infrastructure improvements, and is levied pursuant to Section 8.1, Article VIII of the City Charter; and

BE IT FURTHER RESOLVED, that the City Council does hereby levy a tax not to exceed 1.3631 mills for the period April 1, 2016 through March 31, 2017 on all real and eligible personal property in the Downtown Development District, according to the valuation of the same within the district; and

BE IT FURTHER RESOLVED, that the City Council does hereby levy a tax not to exceed 1 mill for the period April 1, 2016 through March 31, 2017 on all real and eligible personal property in the City of Charlevoix, according to the valuation of the same. This tax is levied for the purpose of defraying the cost of rubbish collection and other related services provided citizens allowed by the act, and is levied pursuant to Michigan Public Act 213 of 1969; and

BE IT FURTHER RESOLVED, that the City Council does hereby approve the following budgets for the period April 1, 2016 through March 31, 2017 in the amounts set forth below by fund:

<u>FUND</u>	<u>REVENUE</u>	<u>EXPENSE</u>
Major Street Fund	\$ 287,766	\$ 260,900

Local Street Fund	159,814	159,600
Electric Fund	8,379,400	8,379,400
Sewer Fund	3,775,100	3,775,100
Water Fund	1,953,500	1,953,500
Marina Fund	1,377,700	1,377,700
Airport Fund	2,525,600	1,618,900
Downtown Development Auth	543,700	543,700
Employee Fringe Benefit	2,326,500	2,326,500
Motor Vehicle Fund	1,279,700	1,279,700
Perpetual Care Trust Fund	4,750	0
Fire/Ambulance Fund	78,030	0
Sewer Tap-in Fund*	8,100	0
Northside/Southside Sewer Fund*	6,100	0
General Debt Services Fund	206,800	206,800
Infrastructure Improvement	3,487,700	3,471,200
Road Improvements	233,600	207,955
Public Works Site Fund	187,500	79,000
Industrial Park Fund	5,000	5,000
Mt. McSauba Recreation Fund	7,000	4,000

* These funds are part of the Sewer Fund.

Ordinance # 776 was enacted on the 15th day of February, 2016 A.D., by the Charlevoix City Council as follows:

Motion by: Councilmember Gibson
 Second by: Councilmember Kurtz

 YEAS: Perron, Gibson, Supernaw, Hagen, Kurtz
 NAYS: None
 ABSENT: Cole

State of Michigan)
) ss
 City of Charlevoix)

Joyce M. Golding, Clerk
 Gabriel Campbell, Mayor

XI. Miscellaneous Business

Councilmember Kurtz recalled that he discussed the idea of a meet and greet with the Township and School Board to build relationships.

Motion by Councilmember Kurtz, second by Councilmember Supernaw, to direct the City Manager to reach out to School Board President Dick Joseph and Charlevoix Township Supervisor Chuck Center to coordinate a gathering for relationship building, not to talk about any specific topic.

Councilmember Supernaw suggested that the Charlevoix Hospital administrators be invited to the gathering. Councilmember Kurtz concurred and stated that he would amend his motion to include the hospital.

City Manager Heydlauff proposed that he would speak with Mr. Joseph, Mr. Center and Lynn Jenks, Executive Director of the Charlevoix Hospital to decide upon a format and attendees. The gathering would be properly noticed per the Open Meetings Act.

Councilmember Kurtz restated his motion to direct the City Manager to reach out to Dick Joseph, Chuck Center, and Lyn Jenks and work out a way to have a gathering (not meeting) of the associated boards with the goal of relationship building between the different entities.

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

XII. Audience - Non-agenda Input (written requests take precedent)
 None.

XIII. Adjourn
 It was generally agreed to adjourn. Meeting adjourned at 9:07 p.m.

Joyce M. Golding City Clerk Gabe Campbell Mayor

Special Accounts Payable – 02/02/2016
 DCASSESSING SERVICES 4,371.08 TOTAL 4,371.08

Regular Accounts Payable – 02/16/2016

ACE HARDWARE	1,174.44	HYDRO CORP	515.00
AIRGAS USA LLC	789.02	J & B MEDICAL SUPPLY INC.	700.94
ALL AREA TOWING	65.00	JACKLIN STEEL SUPPLY CO	158.43
AMERICAN TOTAL SECURITY INC	598.77	JAMES, WILLIAM	36.02
AUTO VALUE	466.57	KIRINOVIC, THOMAS	41.00
AVFUEL CORPORATION	1,520.00	KLOOSTER, ALIDA K.	41.00
BIOMEDICAL SOLUTIONS	995.00	KORTHASE FLINN	317.50
BRADFORD'S	42.25	KSS ENTERPRISES	316.60
BRADLEY, KELLY R.	317.77	MCCARDEL CULLIGAN-PETOSKEY	50.00
BREWER, JOHN	1,300.00	McGINN, KELLY	41.00
BROWN, LESTON	47.61	MEIER III, CHARLES A.	86.00
CARQUEST OF CHARLEVOIX	565.01	METEER, MELISSA	30.00
CENTRAL DRUG STORE	93.92	MICHIGAN OFFICEWAYS INC	2,464.82
CHARLEVOIX AREA CHAMBER	490.00	MICHIGAN POLICE EQUIPMENT	862.00
CHARLEVOIX DISTRICT LIBRARY	45.00	MYER, ELIZABETH A.	199.19
CHARLEVOIX TOWNSHIP	15.23	NORTHERN CREDIT BUREAU	570.45
CHARTER COMMUNICATIONS	1,035.56	NORTHERN MICHIGAN REVIEW INC.	1,230.26
CHEMTRADE CHEMICALS US LLC	6,158.85	NORTHERN PUMP SERVICE INC.	2,384.70
CITY OF CHARLEVOIX - UTILITIES	21,051.80	NORTHERN SAFETY CO INC	328.05
CLEAN HARBORS ENV. SERVICES	1,152.81	OLESON'S FOOD STORES	53.16
CRYSTAL FLASH ENERGY	582.91	OLSON BZDOK & HOWARD	1,631.10
DeROSIA, PATTY	41.00	OLSTROM EXCAVATING AND PAVING	4,980.00
DOAN, GERARD	41.00	PANOFF, ZACH	41.00
DOYLE, ANNIE	41.00	PARDEE, W.W.	280.00
EAST JORDAN FAMILY HEALTH CTR	126.00	PERFORMANCE ENGINEERS INC	65,318.00
EJ EQUIPMENT INC	4,347.16	PHILLIPS, OWEN	27.26
ELHORN ENGINEERING COMPANY	1,131.00	PHYSICIAN'S CLINIC OF CHARLEVOIX	102.00
ELLIOTT, PATRICK M.	127.00	PINE RIVER BOOKS LLC	9.29
ELLSWORTH FARMER'S EXCHANGE	726.38	POWER LINE SUPPLY	1,766.58
ENMET CORP	130.11	PREIN & NEWHOF	47,648.88
EVANS, HAL	41.00	PRO WEB MARKETING LLC	40.00
FAMILY FARM & HOME	638.60	QUICK CARE MEDICAL CENTER	80.00
FASTENAL COMPANY	93.59	RANGE TELECOMMUNICATIONS	140.40
FERGUSON & CHAMBERLAIN	647.00	RICK-BIDDICK, MICHELLE	764.93
FISHER SCIENTIFIC	1,728.27	ROLOFF, ROBERT	41.00
FREEDOM MAILING SERVICES INC.	2,263.43	SCHMUCKAL OIL CO	947.63
GOLDING, JOYCE	41.00	SPARTAN DISTRIBUTORS INC	91.75
GREAT LAKES PIPE & SUPPLY	137.79	SPOK INC	21.39
HACH COMPANY	1,526.32	STUDIO MI LLC	100.00
HANKINS, SCOTT	41.00	SUPERIOR MECHANICAL	1,615.89
HEID, THOMAS J.	41.00	SWEM, DONALD L.	41.00
HEYDLAUFF, MARK L	41.00	SYSTEMS SPECIALISTS INC	100.00
HILLING, NICHOLAS A.	86.00	TERMINAL SUPPLY CO	126.90

TEUNIS, STEVEN	41.00	VOSS LIGHTING	954.00
TRUCK & TRAILER SPECIALTIES	131.55	WELLER, LINDA	41.00
UMULIS, MATTHEW	19.39	WELLS JR., DONALD E.	357.77
UNITED STATES PLASTIC CORP.	21.11	WILMOT ELECTRIC INC	3,690.00
USA BLUE BOOK	339.09	WYMAN, MATTHEW A.	41.00
VILLAGE GRAPHICS INC.	155.60	TOTAL	194,676.80

ACH Payments – 01/29/2016 – 02/12/2016

DEVERE CONSTRUCTION	240,834.90	ALERUS FINANCIAL (HCSP)	420.00
MI PUBLIC POWER AGENCY	14,747.35	STATE OF MI (WITHHOLDING TAX)	4,546.98
PAYMENT SERVICE NETWORK	216.10	VANTAGEPOINT (401 ICMA PLAN)	686.22
MI PUBLIC POWER AGENCY	14,276.55	VANTAGEPOINT (457 ICMA PLAN)	13,317.09
STATE OF MI (SALES TAX)	22,665.15		
IRS (PAYROLL TAX DEPOSIT)	33,189.45	TOTAL	344,899.79

Tax Disbursement – 02/16/2016

CHARLEVOIX COUNTY TREASURER	158,472.66	CHARLEVOIX PUBLIC SCHOOLS	96.96
CHARLEVOIX DISTRICT LIBRARY	57,994.68	CITY OF CHARLEVOIX - TAXES DUE	40,254.20
CHARLEVOIX PUBLIC SCHOOLS	3,223.43	KOJAIAN, MIKE & SHIRLEY	477.24
CHARLEVOIX PUBLIC SCHOOLS	921.40	RECREATIONAL AUTHORITY	10,574.11
CHARLEVOIX PUBLIC SCHOOLS	43.61		
CHARLEVOIX PUBLIC SCHOOLS	448.56	TOTAL	272,506.85

PAYROLL: NET PAY

Pay Period Ending 02/06/2016 – Paid 02/12/2016

WELLER, LINDA JO	1,648.61	ELLIOTT, PATRICK M.	1,738.95
HEYDLAUFF, MARK L.	2,363.72	SCHWARTZFISHER, JOSEPH L.	958.85
GOLDING, JOYCE M.	1,062.95	WELLS JR., DONALD E.	1,451.61
DEROSIA, PATRICIA E.	878.25	BRADLEY, KELLY R.	1,257.04
DOYLE, ANNE E.	1,362.36	JONES, ROBERT F.	1,364.70
LOY, EVELYN R.	1,029.16	DORAN, JUSTIN J.	1,563.24
KLOOSTER, ALIDA K.	1,628.11	KIRINOVIC, THOMAS F.	604.48
GOLOVICH, KAREN J.	973.50	BITELY, KATHERINE A.	399.90
SPENCLEY, PATRICIA L.	1,255.30	GREGORY, CHRISTOPHER I.	135.41
PANOFF, ZACHARY R.	1,027.00	BOSS, SHERRY M.	484.54
MILLER, FAITH G.	88.18	MURPHY IV, MICHAEL J.	350.12
MCGINN, KELLY A.	1,456.33	RAMSEY, MADISON L.	274.19
DOAN, GERARD P.	1,514.92	BERTINELLI, DAVID P.	870.74
SHRIFT, PETER R.	6,938.75	BOSS, BEAU J.	396.32
SCHLAPPI, JAMES L.	878.17	BARNEVELD, VLADIMIR R.	194.52
UMULIS, MATTHEW T.	1,301.85	FICHTNER, KRISTIE S.	272.43
HANKINS, SCOTT A.	1,952.04	HEID, THOMAS J	1,244.10
ORBAN, BARBARA K.	1,392.03	MYER, ELIZABETH A.	1,851.28
TRAEGER, JASON A.	1,092.69	VANLOO, JOSEPH G.	474.05
MATELSKI, KIMBERLY A.	1,134.50	WYMAN, MATTHEW A.	930.30
ROLOFF, ROBERT P.	1,643.48	SCHRADER, LOU ANN	422.81
RILEY, DENISE M.	410.66	BOSS, RYDER S.	266.33
LOPER II, GARY D.	660.12	MILLER, WILLIAM S.	1,171.91
TEUNIS, STEVEN L.	1,664.99	SWEM, DONALD L.	1,790.16
WURST, RANDALL W.	1,365.69	WHITLEY, ANDREW T.	1,666.36
MAYER, SHELLEY L.	1,272.84	MORRISON, KEVIN P.	1,225.21
HILLING, NICHOLAS A.	1,070.33	HODGE, MICHAEL J.	1,356.12
MEIER III, CHARLES A.	843.73	JOHNSON, STEVEN P.	1,328.72
ZACHARIAS, STEVEN B.	1,429.53	BOSS JR, DALE E.	1,116.49
NISWANDER, JOSEPH F.	1,373.17	STEBE JR, JOHN M.	362.46
EATON, BRAD A.	1,793.84	BEHAN, DEAN T.	358.79
WILSON, TIMOTHY J.	2,213.61	STEBE, CATHERINE M.	298.42
LAVOIE, RICHARD L.	1,662.97	HOLM, ARTHUR R.	676.27
STEVENS, BRANDON C.	1,828.49	STEVENS, JEFFREY W.	254.14
DRAVES, MARTIN J.	1,558.65	MATTER, DAWSON K.	123.34
BROWN, STEPHANIE C.	1,020.24	TOTAL	82,025.06

PAYROLL: TRANSMITTAL – 02/12/2016

4FRONT CREDIT UNION	248.46	CHAR EM UNITED WAY	55.00
AMERICAN FAMILY LIFE	166.74	CHARLEVOIX STATE BANK	2,286.16
AMERICAN FAMILY LIFE	311.88	CHEMICAL BANK	150.00

COMMUNICATION WORKERS OF AMER	525.02	PRIORITY HEALTH	1,981.09
MI STATE DISBURSEMENT UNIT	323.45		
POLICE OFFICERS LABOR COUNCIL	201.00	TOTAL	6,248.80