

CITY OF CHARLEVOIX
REGULAR CITY COUNCIL MEETING MINUTES
Monday, September 20, 2010 — 7:00 p.m.
210 State Street, City Hall, Council Chambers, Charlevoix, MI

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 Jill Picha, Greg Stevens, Bryan Vollmer, Shane Cole, Lyle Gennett, Dennis Kusina
Absent: None

III. Inquiry Regarding Possible Conflicts of Interest

None.

IV. Consent Agenda

The following items were approved and filed:

- A. Approval of Minutes – September 7, 2010 Regular Meeting Minutes
- B. Accounts Payable Check Register – September 21, 2010
- C. Tax Disbursement – September 21, 2010
- D. Payroll Check Register– September 17, 2010
- E. Payroll Transmittal – September 17, 2010

V. Public Hearings

None.

VI. Reports

A. Manager Reports

The Manager asked Council if they had objections to a dress down Friday campaign in November and December. Employees would donate \$2 to wear nice jeans on Fridays, with proceeds to go to United Way. There were no objections.

The Manager stated that the Bridge Street water main project will start early next week. The contractor is confident they can finish the project by November 1.

VII. Requests, Petitions and Communications and Actions Thereon

A. Proposal to Establish Conservation Easement at Mt. McSauba

City Planner Mike Spencer was available to review the item. Ty Ratliff from the Little Traverse Conservancy was also available to answer questions. Mr. Spencer stated that staff is not against conservation easements. He thinks that there are better ways to protect Mt. McSauba permanently, such as deed restrictions, without having to amend the Charter or create controversy by having the public vote on a conservation easement. Mr. Ratliff stated that the Little Traverse Conservancy is not promoting a conservation easement for the Mt. McSauba property, but it is an option to consider and would put another layer of protection on the property.

Responding to Council, the City Attorney stated that if this were land being gifted to the City, it could be a condition of the gift to bring in a land conservancy and a conservation easement. Because there are Charter limitations for the disposal or of or use of property, a conservation easement will forever eliminate the ability of Council to control that property, except within the limitations of the conservation restrictions. The Attorney is currently unaware of any specific threats to the area. He is disinclined to recommend a conservation easement for the Mt. McSauba property. The Mayor and the Attorney discussed that the Charter could be interpreted to require a vote of the people in order to put a conservation easement on City property.

John Campbell acknowledged that Council cannot sell or dispose of the property without a vote of the people. However, Mr. Campbell said there is also nothing that can be found that protects the land use from harvesting the lumber or mining sand, for example. The proposed easement excludes the ice rink, sledding and ski hills from the easement. Walking, hiking, and cross country ski trails could continue. Division, commercial and industrial activities, construction except for viewing decks, cutting of vegetation unless it blocked trails, dumping, off-road vehicle use, and signs would be some of the things prohibited. Mr. Campbell's concern is to keep it protected for the future; he does not have any immediate concerns. It doesn't cost the Council anything to protect the Mt. McSauba property with a conservation easement.

Bob Timms asked how this agenda item came into being. Mr. Campbell has been pursuing the issue for some time, but has never been able to get it on the agenda before.

The Mayor reviewed the staff recommendation. City staff feels that conservation easements are a very positive way for landowners to protect their properties for the benefit of future generations; however, at this time staff feels establishing a conservation easement at Mt. McSauba is not in the City's best interests for the following reasons:

1. They feel the property is already protected by the language of the Charter. Changing the Charter may be necessary, which is a very involved process. Regardless, staff feels the citizens should have the right to vote on this important decision, which could be very controversial. There could be significant costs as well.
2. The City does not pay taxes, so we would not receive the financial advantages from a conservation easement like a private property owner would.
3. A conservation easement is a permanent restriction with an outside organization so there is loss of local control of the land unless it meets the terms of the easement agreement.

Motion by Councilmember Lyle Gennett, seconded by Councilmember Jill Picha, to support staff's recommendation regarding the conservation easement.

Yeas: Picha, Stevens, Vollmer, Cole, Gennett, Kusina
Nays: None
Absent: None

B. Discussion Regarding Renewal of Docking Lease Agreement with Keweenaw Excursions

Jason Funkey from Keweenaw Excursions was available to review his proposal and answer questions from Council. Mr. Funkey reviewed his expenses and revenues for the year. Mr. Funkey is hopeful for increased revenues next year, but would like to

negotiate a lower dock fee. Councilmember Jill Picha spoke in favor of helping the business get a foothold in the community. The Mayor expressed concerns that agreeing to a much lower fee would set a bad precedent for other commercial boats.

John Murray stated that the cruise ship has been a nice addition for the area, and thinks it is good for the community.

The Attorney recommended having a few interested people work with Mr. Straebel to negotiate with Mr. Funkey, rather than negotiating as a Council in the meeting. The Mayor and Councilmember Picha will work with Mr. Straebel to negotiate an agreement with Keweenaw Excursions and come back with a recommendation to Council. No formal action taken at this time.

C. Transfer of Pelican Development Airport Access Agreement to RCI Group

The Mayor stated there is a through the fence access agreement with Pelican Development. Pelican is selling their hangar. To complete the sale, the agreement needs to be transferred to the new owners, RCI Group.

Motion by Councilmember Jill Picha, seconded by Councilmember Dennis Kusina, to approve the transfer of the airport access agreement from Pelican Development to RCI Group, as outlined on pp.44-46, with any wording changes to be reviewed and approved by the City Attorney.

Yeas: Picha, Stevens, Vollmer, Cole, Gennett, Kusina
Nays: None
Absent: None

D. Materials for Stover Road Water Main Replacement

Electric Superintendent Don Swem was available to address the item and answer questions from Council.

Motion by Councilmember Bryan Vollmer, seconded by Councilmember Lyle Gennett, to approve the purchase of \$19,151.29 of water main materials from East Jordan Iron Works for the Stover Road Water Main Replacement.

Yeas: Picha, Stevens, Vollmer, Cole, Gennett, Kusina
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

The Mayor stated that Council had met in closed session at 6:00 this evening to go over the Manager's review. The Manager has consented for his review to be released for his file and to the public.

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

John Campbell stated that five years ago, Council approved Big Fish to tie into the municipal water system. This year the state convention dealing with biosolids and septage is being held in Charlevoix. Big Fish received their patent last week and will receive their US EPA approval by the end of this month, due in part to the cooperation from City staff and Council. The Mayor thanked Mr. Campbell for his efforts to keep innovative ideas in the City of Charlevoix.

XIII. Adjourn

The Mayor stated if there were no objections, the meeting would adjourn.

There were no objections.

Meeting adjourned at 7:50 p.m.

| Carol A. Ochs | City Clerk | Norman L. Carlson, Jr. | Mayor |
|--------------------------------------|------------|-------------------------------|----------|
| Accounts Payable – 09/21/2010 | | | |
| ACCESS LOCKSMITHING INC | 190.00 | CHARLEVOIX SCREEN MASTERS INC | 37.80 |
| ACE HARDWARE | 3,053.78 | CHARLEVOIX STATE BANK | 5,097.93 |
| AIRGAS GREAT LAKES INC. | 1,055.34 | CHARTER COMMUNICATIONS | 9.08 |
| ALL-PHASE ELECTRIC SUPPLY CO. | 299.25 | CHEMSEARCH | 154.13 |
| AMERICAN WASTE INC. | 6,225.50 | CHERRINGTON ENTERPRISES INC. | 1,737.42 |
| APPLIED INDUSTRIAL TECH | 170.26 | COMPLETE MUFFLER | 28.08 |
| ARROW UNIFORM-TAYLOR L.L.C. | 982.13 | COTTAGE COUTURE | 98.04 |
| AT&T | 2,971.21 | DESIGN ASSOCIATES | 3,160.00 |
| AUTO VALUE | 1,424.32 | DODGE, EDNA | 65.49 |
| B & L SOUND INC | 391.90 | DVORACEK, DANA | 275.00 |
| BANC OF AMERICA LEASING | 1,589.42 | EAST JORDAN IRON WORKS | 4,004.06 |
| BANDIT INDUSTRIES INC | 678.33 | ELLSWORTH FARMER'S EXCHANGE | 351.00 |
| BEAVER RESEARCH COMPANY | 136.76 | FAMILY FARM & HOME | 339.31 |
| BELL EQUIPMENT COMPANY | 340.00 | FARMER, JUSTIN | 35.00 |
| BRADFORD'S | 279.00 | FASTENAL COMPANY | 163.57 |
| BUDAY'S SOUND ADVICE | 1,705.32 | FISHER SCIENTIFIC | 677.49 |
| BULBS.COM | 426.78 | GOSLING CZUBAK | 1,191.25 |
| BURKLE, CHARLES | 25.00 | GREAT LAKES PIPE & SUPPLY | 831.53 |
| BUSINESS RADIO LICENSING | 110.00 | HACH COMPANY | 667.74 |
| CARQUEST OF CHARLEVOIX | 924.36 | HARDY DIAGNOSTICS | 152.77 |
| CENTRAL DRUG STORE | 154.02 | HARRELL'S | 120.00 |
| CENTRAL ELEVATOR COMPANY INC | 179.28 | HART, TERESA | 41.00 |
| CHARLEVOIX AREA HOSPITAL | 11.40 | HASTINGS FIBER GLASS PRODUCTS | 637.96 |
| CHARLEVOIX CAR WASH | 74.70 | HOLIDAY COMPANIES | 6,999.93 |

| | | | |
|-------------------------------|------------|-------------------------------|-------------------|
| HYDE EQUIPMENT | 7,717.43 | ORBAN, BARBARA | 70.00 |
| HYDRO DESIGNS INC. | 900.00 | PERFORMANCE ENGINEERS INC | 3,054.00 |
| INDEPENDENT DRAFTING SERVICES | 1,152.00 | POWER LINE SUPPLY | 4,510.99 |
| ISLAND AIRWAYS | 2,082.47 | POWERPLAN | 3,217.15 |
| J & S PORTABLE RESTROOMS | 285.00 | PREFERRED WASTE L.L.C. | 572.00 |
| JBR GRAPHICS INC. | 160.00 | QUILL CORP | 394.36 |
| KLOOSTER, HENRY | 87.73 | RESCO | 34,494.72 |
| KMart | 89.95 | RIETH-RILEY CONST CO INC | 528.62 |
| KSS ENTERPRISES | 270.66 | SEARS COMMERCIAL ONE | 417.99 |
| LAKESHORE TIRE & AUTO SERVICE | 29.45 | SPARTAN DISTRIBUTORS INC | 427.31 |
| MAGNUM ELECTRIC INC. | 60.00 | STANDARD ELECTRIC CO | 129.27 |
| MDC CONTRACTING LLC | 2,662.99 | STATE INDUSTRIAL PRODUCTS | 589.23 |
| MICHIGAN MUNICIPAL ELECTRIC | 300.00 | STATE OF MICHIGAN | 50.00 |
| MICHIGAN MUNICIPAL LEAGUE | 63.30 | SYSTEMS SPECIALISTS INC | 261.25 |
| MICHIGAN OFFICEWAYS INC | 746.94 | T & R SERVICE INC | 30.00 |
| MICHIGAN PUBLIC POWER AGENCY | 182,199.86 | THE WOOD SHOP | 320.00 |
| MICHIGAN SECTION AWWA | 130.00 | TRI-TURF | 920.76 |
| MICHIGAN TURFGRASS FOUNDATION | 115.00 | TRUCK & TRAILER SPECIALTIES | 966.00 |
| MUNICIPAL SUPPLY CO | 135.00 | TURFGRASS INC | 1,089.00 |
| NETSOURCE ONE INC. | 1,205.00 | US BANK | 210,997.50 |
| NORTHERN CREDIT BUREAU | 66.88 | VAN'S BUSINESS MACHINES | 106.83 |
| NORTHERN FIRE & SAFETY | 479.30 | WADE TRIM OPERATIONS SERVICES | 6,066.15 |
| NORTHERN MICHIGAN REVIEW INC. | 746.46 | WINNELL, CHARLES | 481.60 |
| NORTHERN MICHIGAN/NORTHNET | 13.95 | ZONTA CLUB OF CHARLEVOIX | 180.00 |
| NORTHERN SAFETY CO INC | 873.93 | | |
| OLESON'S FOOD STORES | 572.59 | TOTAL: | 523,294.26 |

Accounts Payable – 09/21/2010

Tax Disbursements

| | | | |
|-----------------------------|--------------|--------------------------------|---------------------|
| BERGMANN, JEFF | 54.79 | CITY OF CHARLEVOIX - TAXES DUE | 1,146,190.64 |
| CHARLEVOIX COUNTY TREASURER | 993,115.03 | INDEPENDENT BANK | 5,661.10 |
| CHARLEVOIX COUNTY TREASURER | 77.15 | PNC BANK | 1,841.81 |
| CHARLEVOIX COUNTY TREASURER | 1,193.80 | RECREATIONAL AUTHORITY | 4.30 |
| CHARLEVOIX DISTRICT LIBRARY | 22.33 | STATE OF MICHIGAN | 7,060.20 |
| CHARLEVOIX PUBLIC SCHOOLS | 1,159,181.22 | U.S. BANK NA | 17.68 |
| CHARLEVOIX PUBLIC SCHOOLS | 88,548.36 | WELLS, RICHARD | 917.75 |
| CHARLEVOIX PUBLIC SCHOOLS | 177,102.57 | | |
| CHASE HOME FINANCE LLC | 2,107.32 | TOTAL: | 3,583,096.05 |

PAYROLL: NET PAY

Pay Period Ending 09/11/2010 – Paid 09/17/2010

| | | | |
|------------------------|----------|-----------------------|------------------|
| WELLER, LINDA JO | 1,265.51 | HART, TERESA M. | 493.67 |
| STRAEBEL, ROBERT J. | 1,963.03 | BENNETT, THOMAS A. | 590.01 |
| BRANDI, RICHARD M. | 1,700.83 | DURRENBERGER, LARRY J | 242.39 |
| LOY, EVELYN R. | 948.04 | TORRES JR., JESUS F. | 26.39 |
| KLOOSTER, ALIDA K. | 1,145.66 | SILVA, JESSE L. | 341.86 |
| BROWN, STEPHANIE C. | 1,067.17 | O'CONNOR, BRUCE E. | 374.15 |
| OCHS, CAROL A. | 947.49 | SCHOOFF, WILLIAM R. | 158.40 |
| CAREY, KEITH V. | 1,153.17 | SHRIFT, PETER R. | 1,387.87 |
| SPENCER, MICHAEL D. | 1,459.24 | HANKINS, SCOTT A. | 1,635.38 |
| SPENCLEY, PATRICIA L. | 1,139.87 | KLOOSTER, PATRICK H. | 349.08 |
| SOMERVILLE, COLLIN P. | 419.65 | BOSS, JOHN M. | 387.89 |
| NASH, JENNIFER B. | 913.04 | KLOOSTER, JUSTIN N. | 452.86 |
| BAILEY, MATTHEW L. | 1,234.70 | COPPOCK, TIMOTHY M. | 1,104.15 |
| UMULIS, MATTHEW T. | 1,583.68 | WURST, RANDALL W. | 1,814.28 |
| DOAN, GERARD P. | 1,885.44 | WHITLEY, JOHN F. | 1,584.70 |
| METDEPENNINGEN, SARAH | 1,269.18 | BLANCHARD, SCOTT W. | 1,844.61 |
| WARNER, JANINE M. | 1,045.66 | FRYE, EDWARD J. | 1,018.53 |
| EVANS, HALBERT K. | 862.72 | SWEM, DONALD L. | 1,693.31 |
| KANINE, MATTHEW J. | 386.20 | ROTTA, RUSSELL | 1,556.86 |
| BINGHAM, LARRY E. | 523.46 | HART II, DELBERT W. | 558.10 |
| SCHLAPPI, JAMES L. | 1,201.69 | MORRISON, KEVIN P. | 1,373.74 |
| TAYLOR, TERRY K. | 487.96 | HODGE, MICHAEL J. | 1,101.57 |
| ORBAN, BARBARA K. | 1,303.70 | JOHNSON, STEVEN P. | 1,320.37 |
| IVAN, PAUL M. | 2,011.89 | JONES, ROBERT F. | 1,639.61 |
| SCHWARTZFISHER, JOSEPH | 1,463.26 | BISHAW, JAMES H. | 581.14 |
| ROLOFF, ROBERT P. | 2,253.83 | DISHONG, AARON S. | 868.89 |
| BRODIN, WILLIAM C. | 1,286.31 | ZIPP, DONALD R. | 1,348.49 |
| CALDWELL, JAMES P. | 1,528.32 | HOLM, ARTHUR R. | 658.82 |
| MAYER, SHELLEY L. | 1,474.58 | HEID, THOMAS J | 1,338.55 |
| HILLING, NICHOLAS A. | 1,103.78 | KING, LYLE S. | 281.89 |
| MEIER III, CHARLES A. | 1,128.09 | BOAL, DAVID W. | 933.96 |
| RAMSEY, KYLE J. | 52.80 | MILLIGAN, DESMOND E. | 242.64 |
| JACOBS, DOUGLAS R. | 1,930.93 | REID, JON M. | 524.48 |
| NISWANDER, JOSEPH F. | 1,208.21 | GRUNCH, RONALD J. | 230.65 |
| WELLS JR., DONALD E. | 1,221.10 | BOOTH, GEORGE E. | 319.67 |
| JONES, TERRI L. | 907.89 | MILLIGAN, DOUGLAS J. | 95.58 |
| BRADLEY, KELLY R. | 1,296.01 | HAND, REBECCA J. | 563.87 |
| EATON, BRAD A. | 1,110.82 | MEGGISON, JERRY B. | 141.29 |
| WILSON, TIMOTHY J. | 1,610.43 | ROLOFF, AUDREY M. | 305.20 |
| ELLIOTT, PATRICK M. | 1,578.40 | MATTER, DAWSON K. | 391.67 |
| WILSON, RICHARD J. | 1,070.03 | CESARO, JASON M. | 30.80 |
| SIEGMUND, CHRISTOPHER | 563.35 | MARSH JR., JAMES D. | 102.05 |
| BROWE, RAYMOND L. | 506.50 | MACMILLAN, RACHEL A. | 33.00 |
| RAMSEY, ARIEL M. | 279.10 | TRAVERS, MANUEL J. | 209.44 |
| EAGLESON, WAYNE L. | 420.33 | SCOTT JR., WINFIELD | 112.19 |
| MCGHEE, ROBERT R. | 906.04 | WINNELL, CHARLES J. | 104.15 |
| CROSS, MARCUS E. | 584.84 | RILEY, DANIEL | 752.47 |
| VANLOO, JOSEPH G. | 586.17 | BARRETT, SCOTT T. | 858.50 |
| STEVENS, BRANDON C. | 531.57 | RILEY, JEFFERY C | 110.46 |
| KLOOSTER, SUSAN E. | 56.32 | BERGMANN, DOUGLAS M. | 33.00 |
| STEBE, LAURA A. | 66.50 | MACDONALD, BRIAN K. | 693.64 |
| STEBE, DAVID S. | 70.19 | TOTAL: | 89,630.95 |

PAYROLL: TRANSMITTAL

09/17/2010

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|---------------------------|-----------|---------------------------|------------------|
| **EFTPS* Payroll Taxe | 30,680.67 | ICMA RETIREMENT TRUST 457 | 6,170.89 |
| AMERICAN FAMILY LIFE | 34.60 | MI STATE DISTRICT UNIT | 128.28 |
| CHAR EM UNITED WAY | 40.00 | NORTHWESTERN BANK | 75.00 |
| CHARLEVOIX STATE BANK | 83.00 | PRIORITY HEALTH | 73.49 |
| COMMUNICATION WORKERS | 512.52 | STATE OF MICHIGAN | 4,765.96 |
| ICMA RETIREMENT TRUST 401 | 669.43 | TOTAL: | 43,233.84 |