



CITY COUNCIL

August 1, 2022

A regular meeting of the City of Petoskey City Council was held in the City Hall Council Chambers, Petoskey, Michigan, on Monday, August 1, 2022. This meeting was called to order at 7:00 P.M.; then, after a recitation of the Pledge of Allegiance to the Flag of the United States of America, a roll call then determined that the following were

Present: John Murphy, Mayor
Tina DeMoore, City Councilmember
Derek Shiels, City Councilmember
Brian Wagner, City Councilmember

Absent: Lindsey Walker, City Councilmember

Also in attendance were City Manager Shane Horn, Clerk-Treasurer Alan Terry, Parks and Recreation Director Kendall Klingelsmith and Executive Assistant Sarah Bek.

Consent Agenda - Resolution No. 19682

Following introduction of the consent agenda for this meeting of August 1, 2022, City Councilmember Wagner moved that, seconded by City Councilmember DeMoore adoption of the following resolution:

BE IT RESOLVED that the City Council does and hereby confirms that the draft minutes of the July 18, 2022, regular session City Council meeting be and are hereby approved; and

BE IT RESOLVED that receipt by the City Council of a report concerning all checks that had been issued since July 18, 2022 for contract and vendor claims at \$1,234,204.80, intergovernmental claims at \$647,665.21 and the July 21 payroll at \$265,057.57, for a total of \$2,146,927.58 be and is hereby acknowledged.

Said resolution was adopted by the following vote:

AYES: DeMoore, Shiels, Wagner, Murphy (4)

NAYS: None (0)

Hear Public Comment

Mayor Murphy asked for public comments and there were no comments.

Hear City Manager Updates

The City Manager reviewed the July 21 Planning Commission meeting items and approvals; that State Street resurfacing was complete; that East Lake Street reconstruction is ongoing and final stretch is Summit Street to Kalamazoo; reviewed other projects including concrete sidewalk repairs and work on Michigan Street; reviewed Finance Director recruitment with five applications received; that Public Safety Director hired the former Park Security Officer who will be attending Kirkland Community College's Police Academy and another full-time PSO position was posted last Friday; mentioned the possibility of City Council work sessions to discuss topics including Darling Lot, Little Traverse Bay Wheelway, Action Plan updates and staffing; that the Public Safety Department is accepting applications for their annual Citizen Academy; and the Alexander Petoskey ground breaking ceremony is 4:30 P.M., Tuesday, August 16, for the 156-unit multifamily development on Atkins Road.

City Councilmembers discussed prioritizing and reviewing the Action Plan; and heard interest in work sessions and to include discussions on an economic development policy.

Approve Board & Commission Appointments – Resolution No. 19683-19685

Mayor Murphy reviewed that City Council consider the following reappointments.

City Councilmember Shiels moved that, seconded by City Councilmember DeMoore adoption of the following resolution:

BE IT RESOLVED that the City Council does and hereby approves the reappointment of Susanne Fantini, 1233 Atkins Road, to the Greenwood Cemetery Board for a five-year term ending May 2027.

Said resolution was adopted by the following vote:

AYES: DeMoore, Shiels, Wagner, Murphy (4)

NAYS: None (0)

Resolution No. 19684

City Councilmember Wagner moved that, seconded by City Councilmember Shiels adoption of the following resolution:

BE IT RESOLVED that the City Council does and hereby approves the reappointment of Carla Crockett, 1043 Curtis Avenue, to the TIFA Board for a four-year term ending April 2026.

Said resolution was adopted by the following vote:

AYES: DeMoore, Shiels, Wagner, Murphy (4)

NAYS: None (0)

Resolution No. 19685

City Councilmember DeMoore moved that, seconded by City Councilmember Shiels adoption of the following resolution:

BE IT RESOLVED that the City Council does and hereby approves the reappointment of Matthew McSweeney, 618 Bay Street, to the Zoning Board of Appeals for a three-year term ending April 2025.

Said resolution was adopted by the following vote:

AYES: DeMoore, Shiels, Wagner, Murphy (4)

NAYS: None (0)

Approve Trust Fund Project Agreement for Winter Sports Park Hockey Rink Pavilion – Resolution No. 19686

The Parks and Recreation Director reviewed that in April 2021, City Council authorized staff to submit a development grant to the Michigan Department of Natural Resources Trust Fund program in the amount of \$298,000 for matching funds for construction of a pavilion over the ice hockey rink at the Winter Sports Park; that Petoskey Rotary and a local family fund committed an additional \$302,000 for a total of \$600,000 towards the project; that in December 2021, the State recommended the project be funded and recently approved the budget which included this Trust Fund project; and that the pavilion over the rink will provide year-round, outdoor recreation for many years to come.

City Councilmembers discussed the cost of the pavilion and what the grant covers; project completion date; that the noon Rotary club chose this project for their 100-year anniversary and is excited for fundraising; and thanked the Director for his efforts in obtaining grant funding.

The Parks and Recreation Director responded that \$300,000 is the maximum grant amount; that additional funds will cover other portions of the project; that the City is committed to the pavilion portion of the project; with a completion of July 2024.

Mayor Murphy asked for public comments and heard from those in favor of the project and those with concerns about possible noise with summer use of the pavilion.

City Councilmember Wagner moved that, seconded by City Councilmember Shiels adoption of the following resolution:

“RESOLVED, that the City of Petoskey, Michigan, does hereby accept the terms of the Agreement as received from the Michigan Department of Natural Resources, and that the City of Petoskey does hereby specifically agree, but not by way of limitation, as follows:

1. To appropriate all funds necessary to complete the project during the project period and to provide Three Hundred and Two Thousand (\$302,000) dollars to match the grant authorized by the DEPARTMENT.
2. To maintain satisfactory financial accounts, documents, and records to make them available to the DEPARTMENT for auditing at reasonable times.
3. To construct the project and provide such funds, services, and materials as may be necessary to satisfy the terms of said Agreement.
4. To regulate the use of the facility constructed and reserved under this Agreement to assure the use thereof by the public on equal and reasonable terms.
5. To comply with any and all terms of said Agreement including all terms not specifically set forth in the foregoing portions of this Resolution.”

Said resolution was adopted by the following vote:

AYES: DeMoore, Shiels, Wagner, Murphy (4)

NAYS: None (0)

Approve Trust Fund Project Agreement for Skyline Recreation Area Land Acquisition – Resolution No. 19687

The Parks and Recreation Director reviewed that in April 2021, Council authorized staff to submit an acquisition grant to the Michigan Department of Natural Resources Trust Fund program in the amount of \$187,500 for 58 acres surrounded by city-owned property; that the project total is estimated at \$250,000; that in 2020 the Little Traverse Conservancy commissioned an appraisal of the property by a state certified appraiser who valued the land at \$206,000; that the City will pursue an updated amount based on the current market value, if approved; that the Little Traverse Conservancy will commit \$25,000 and the Boor Family commit \$5,000 towards the match of \$62,500 leaving a City contribution of \$32,500; and that in December 2021, the State recommended the project be funded and recently approved the budget which includes this Trust Fund project.

City Councilmember Shiels commented to be transparent, that he works for the Little Traverse Conservancy, but his department does not do any land acquisitions and there is no conflict of interest. City Councilmembers discussed possible increase in final cost from an updated appraisal; carrying costs; users of trails and deterioration of paths based on use; that this purchase would be nice for year-round recreation; and thanked the Boor Family and Little Traverse Conservancy.

The Parks and Recreation Director responded that carrying costs are minimal; that additional donors may be needed if appraisal comes back significantly higher; and there is minimal staff time spent on property maintenance.

Mayor Murphy asked for public comments and heard the North Country Trail spur trail runs through Skyline Property; and those supportive of purchasing the property; that the purchase is a great opportunity the City should not pass up; and that trails and outdoor recreation are huge factors in quality of life.

City Councilmember Wagner moved that, seconded by City Councilmember DeMoore adoption of the following resolution:

“RESOLVED, that the City of Petoskey, Michigan, does hereby accept the terms of the Agreement as received from the Michigan Department of Natural Resources, and that the City of Petoskey does hereby specifically agree, but not by way of limitation, as follows:

1. To appropriate all funds necessary to complete the project during the project period and to provide Sixty Two Thousand Five Hundred (\$62,500) dollars to match the grant authorized by the DEPARTMENT.
2. To maintain satisfactory financial accounts, documents, and records to make them available to the DEPARTMENT for auditing at reasonable times.
3. To construct the project and provide such funds, services, and materials as may be necessary to satisfy the terms of said Agreement.
4. To regulate the use of the property acquired and reserved under this Agreement to assure the use thereof by the public on equal and reasonable terms.
5. To comply with any and all terms of said Agreement including all terms not specifically set forth in the foregoing portions of this Resolution.”

Said resolution was adopted by the following vote:

AYES: DeMoore, Shiels, Wagner, Murphy (4)

NAYS: None (0)

Review Initiative Petition – Recreation Marihuana

The City Clerk reviewed that an initiative petition from Prosperity Petoskey was received on July 19, 2022 for recreational marihuana; that the initiative proposes to amend Chapter 8, Article VI providing additional language to allow and provide for the licensing of adult use recreational marihuana retail establishments; that Section 8-171(a)(2) would require applicants to include within their application a copy of a permit issued by the City for medical marihuana provisioning center; that currently the City allows up to three medical marihuana establishments; that the initial petitions and subsequent petitions were reviewed by the Office of Clerk-Treasurer staff; that Charter provisions require the City Clerk to submit the petition to City Council at the next regular meeting; that Section 7.5 of the Charter provides Council with two options, may enact the ordinance as submitted in the petitions or submit the proposal to voters; that this meeting would act as the introductory meeting if Council desires to enact the ordinance or the proposal would be placed on the ballot for the November General Election; and that ballot language would be prepared and provided by the City Attorney at the next regular meeting for approval, as State Election law requires ballot language to be provided to the County Clerk by August 16, 2022.

City Councilmembers discussed the initiative and if it addresses single issue or linked to medical marihuana; inquired on process; discussed zoning and parking concerns; concurred to not approve ordinance and to place on November ballot and will review ballot language at next meeting.

The City Attorney reviewed that the single ordinance would address several issues and cautioned the City when discussing amendments to related zoning and parking regulations.

Mayor Murphy asked for public comments and heard from those who have concerns with no zoning in place for recreational facilities and discussions should happen now before it passes; heard from those that discussed previous petition process and vote; and heard from those opposed to recreational marihuana.

Ballot language will be drafted and provided for Council review at the next meeting.

Adopt Updated Ward & City Convention Procedures– Resolution No. 19688

The City Manager reviewed that the current Ward and City Convention procedures updates have been drafted for review and consideration based upon the successful ballot measure in November 2021, extending the term of the Mayor from one year to two-year terms and City Council from two-year terms to three-year terms.

City Councilmembers discussed using name tags, their desire to continue meeting annually for Ward and City Conventions even in years when no City election is scheduled and discussed the possibility of holding conventions earlier in the year.

City Councilmember DeMoore moved that, seconded by City Councilmember Shiels adoption of the following resolution:

WHEREAS, the November 2021 ballot measure increased the length of the term for Mayor from one year to two years and that of City Council from two years to three years; and

WHEREAS, the current Ward and City Convention Procedures are included in agenda packets with proposed redlined updates to account for these term changes including conducting annual Ward and City Conventions and continue providing nametags:

NOW, THEREFORE, BE IT RESOLVED that the City of Petoskey City Council hereby approves and adopts the proposed changes to the Ward and City Convention Procedures.

Said resolution was adopted by the following vote:

AYES: DeMoore, Shiels, Wagner, Murphy (4)

NAYS: None (0)

Approve Continuing Zoom Platform for Council Meetings – Resolution No. 19689

The City Manager reviewed that as a result of the COVID-19 pandemic, the City began utilizing the Zoom platform in an effort to allow for the continuation of City business throughout the time period when remote meetings were allowed under the Open Meetings Act; that this platform has continued to be used since April 2020; that Zoom could be discontinued but the City could continue to livestream Council meetings and store recorded sessions for the public to view on the City website; and that the intent is not to eliminate public participation, but rather garner feedback and direction on the use of this platform.

City Councilmembers agreed they like the Zoom platform for those that cannot attend the meeting; requested improvements be made to audio quality; and felt the Zoom platform has been helpful.

Mayor Murphy asked for public comments and heard a comment that Zoom quality is poor and comments from those in favor of uploading Zoom video to City website.

City Councilmember Shiels moved that, seconded by City Councilmember DeMoore adoption of the following resolution:

WHEREAS, the Zoom platform has been utilized to facilitate City Council meetings during the COVID-19 pandemic and has continued to be utilized since April 2020; and

WHEREAS, this platform is up for annual license renewal and direction is needed on how to proceed with the utilization of this platform:

NOW, THEREFORE, BE IT RESOLVED that the City of Petoskey City Council hereby approves and provides direction to staff to continue the use of the Zoom platform and seek out additional opportunities to livestream, record, and store meeting videos on the City website.

Said resolution was adopted by the following vote:

AYES: DeMoore, Shiels, Wagner, Murphy (4)

NAYS: None (0)

Discuss City Council Meeting Start Time

The City Manager reviewed that the current City Council start time is 7:00 P.M. and the purpose of this discussion is to facilitate discussion and consideration to move up the normal start time to 6:00 P.M. which would allow for improved coordination for staff and an earlier time to finish City business for staff, Council and public participants.

City Councilmembers discussed changing time and how it could influence and impact public participation and heard from those open to changing time, but preferred leaving it as is.

City Councilmembers concurred to leave the City Council meeting start time at 7:00 P.M.

Discuss City Council Minutes

City Councilmembers discussed meeting minutes and areas to include; the importance to balance pros and cons; that the intent of minutes is not a transcript and caution on putting more in than is necessary; improve audio quality and provide recordings would help the public; and heard from those in favor of furthering discussion once a new City Clerk is appointed.

City staff noted the importance of not wavering into political arena on matters and without having political interpretations by the City Clerk.

Mayor Murphy asked for public comments and heard that minutes have been a good balance between bare bones vs. transcript and complimented staff.

Council Comments

Mayor Murphy asked for Council comments and Councilmember Wagner commented that he will be absent at the next meeting due to a work conflict. Councilmember DeMoore reminded citizens to vote tomorrow and thanked staff and election inspectors. Mayor Murphy reported that he had a walking tour of Harbor Hall and representatives plan to make a presentation to City Council and that the Arts Commission continues to meet.

There being no further business to come before the City Council, this August 1, 2022, meeting of the City Council adjourned at 9:18 P.M.

John Murphy, Mayor

Alan Terry, Clerk-Treasurer