



CITY COUNCIL

February 4, 2019

A regular meeting of the City of Petoskey City Council was held in the City Hall Council Chambers, Petoskey, Michigan, on Monday, February 4, 2019. 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: Kate Marshall, City Councilmember
Suzanne Shumway, City Councilmember
Grant Dittmar, City Councilmember
Lindsey Walker, City Councilmember

Absent: John Murphy, Mayor

Also in attendance were City Manager Robert Straebel, Clerk-Treasurer Alan Terry, Public Works Director Michael Robbins, Parks and Recreation Director Kendall Klingelsmith and Downtown Director Becky Goodman.

Hear MDOT US-31 Realignment Project Presentation

Jay Galitis and Ben Gau, MDOT representatives and project engineer, gave a brief presentation on the US-31 realignment project. The representatives reviewed that the \$11M project will be from the Mitchell Street Bridge to Fairview Avenue; that the surface will be replaced and the highway moved away from the bluff; reviewed that the bed rock is eroding; that the retaining wall will be reconstructed; that a new traffic signal will be installed; drainage and utility improvements; that the average traffic flow is 20,000 daily; reviewed the detour route for north bound traffic which will be in place late March through July 1; and that the sidewalk will be widened on the north side of road.

City Councilmembers inquired on self-driving cars on new road; if there will be painted crosswalk and signage at Sunset Park for pedestrians; inquired if the chosen contractors are looking at recycling product; and if the north bound lane would be allowed to turn left into Sunset Park. The City Manager reported that a detour is planned for Lake Street during March and April.

Mayor Protem Dittmar asked for public comments and heard inquiries on when work would be performed; if narrow stop signs by boulevard and paving near Bay View will remain in place; heard an inquiry if there will be signage for the Mitchell and Division turns as part of the downtown detour; and if MDOT would be informing the public on project status. Mr. Galitis responded that work would primarily be completed during the day, with possible night time work; that MDOT will have biweekly meetings and provide information to local businesses and the public; and that there will be milling and filling with detoured sections of Division, Mitchell and Arlington, except for sections of Arlington that was replaced last time.

Consent Agenda - Resolution No. 19263

Following introduction of the consent agenda for this meeting of February 4, 2019, City Councilmember Marshall moved that, seconded by City Councilmember Shumway adoption of the following resolution:

BE IT RESOLVED that the City Council does and hereby confirms that the draft minutes of the January 21, 2019 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 January 21, for contract and vendor claims at \$310,369.74 intergovernmental claims at \$0, and the January 24 payroll at \$207,009.21, for a total of \$517,378.95 be and is hereby acknowledged.

Said resolution was adopted by the following vote:

AYES: Marshall, Shumway, Dittmar, Walker (4)

NAYS: None (0)

Hear Public Comment

Mayor Protem Dittmar asked for public comments and there were no comments.

Hear City Manager Updates

The City Manager reviewed that there are new firework regulations for consumer fireworks and that the number of days and times to shoot them off has been reduced from 30 to 12 days and that the City Attorney is reviewing the new law and regulatory options for the City; that City Hall and DPW building will have an energy audit this week by SEEDS in Traverse City which is being funded by a Mott Foundation grant; that staff began discussions with MPPA about increasing renewable energy sources in the near future and that MPPA representatives will make a presentation to Council in March or April; that staff is finalizing scope of work with Land Information Access Association (LIAA) for the 2019 revision to the Community Master Plan with an agreement to be considered at the next Council meeting; that there has not been much progress on the downtown bathrooms due to the cold weather the last few weeks; that a discussion on medical and recreational marijuana will occur at the February 18 meeting as requested by City Council; that he will be at the 2019 Winter MME Conference in Battle Creek the rest of this week; and that the Little Traverse Wheelway from Boyne Country Sports to the Bayfront Tunnel is closed due to retaining wall work as part of the highway realignment project.

Councilmember Marshall reported that she will not be in attendance at the April 15 meeting and if the MPPA discussion could occur when she was present. There was also a Council comment concerning the budget and selection process on the downtown bathroom project.

Approve Grant Support Concerning Lake Street Dam – Resolution No. 19264

The City Manager reviewed that in 2018 the City initiated an inspection report on the Lake Street Dam and that the overall condition was fair; that there doesn't appear to be any apparent visual structural deficiencies leading to immediate failure of the dam; and that the report summarized recommendations that included investing in infrastructure repair or replacement. The City Manager further reviewed that the Tip of the Mitt Watershed Council can apply for grant funding through the Great Lakes Fishery Trust Habitat Protection and Restoration Program, on behalf of the City, to assist with the cost of an engineering alternatives study; that the study will consider stream impacts a result of the following scenarios: full removal, partial removal, modification of the structure and maintaining the structure as is; that there is a national movement to remove dams; and that the overall project cost is \$66,000, with the City committing approximately 25% or \$16,500.

City Councilmember Marshall moved that, seconded by City Councilmember Shumway adoption of the following resolution:

WHEREAS, the City of Petoskey supports the Tip of the Mitt Watershed Council in submitting a grant through the Great Lakes Fishery Trust Habitat Protection and Restoration Program that would fund an engineering study of the Lake Street Dam and surrounding watershed; and

WHEREAS, the City of Petoskey has support from the Department of Natural Resources (DNR), Department of Environmental Quality (DEQ), Little Traverse Band of Odawa Indians and Tip of the Mitt Watershed Council to investigate options that could include full removal, partial removal, modification, and maintaining the structure as is; and

WHEREAS, the City of Petoskey will commit up to 25% or \$16,500, whichever is less, as supporting funds if awarded the grant:

NOW, THEREFORE, BE IT RESOLVED that the City of Petoskey City Council hereby endorses the submission by the Tip of the Mitt Watershed Council and requests the Great Lakes Fishery Trust Habitat Protection and Restoration Program provide funding for this project.

Said resolution was adopted by the following vote:

AYES: Marshall, Shumway, Dittmar, Walker (4)

NAYS: None (0)

Approve Poverty Exemption Policy & Guidelines – Resolution No. 19265

The Director of Finance reviewed that the MCL 211.7u of the General Property Tax Act allows a property tax exemption for the principal residence of persons who, in the judgement of the Board of Review, by reason of poverty, are unable to contribute to the public charges; that the Act requires a local governing body to adopt guidelines including income and asset tests for possible poverty exemption of local property tax assessments; and that the guidelines will be used by the Board of Review in reviewing poverty exemption applications. The Director of Finance further reviewed that City Council adopted a resolution on February 19, 2018 re-establishing provisions for a poverty exemption, however the State is requiring the policy be approved annually. The proposed policy and guidelines is essentially the same as the policy approved in 2018, with updated poverty income levels established annually by the Federal Poverty Income Guidelines. The City received 10 applications from three owners over the last eight years of which 8 were granted.

City Councilmember Shumway moved that, seconded by City Councilmember Marshall adoption of the following resolution:

WHEREAS, the adoption of guidelines for poverty exemptions is required of the City Council; and

WHEREAS, the principal residence of persons, who the Assessor and Board of Review determines by reason of poverty to be unable to contribute to the public charge, is eligible for exemption in whole or in part from taxation under Public Act 390 of 1994 (MCL 211.7u); and

WHEREAS, pursuant to PA 390 of 1994, the City of Petoskey, Emmet County adopts the following guidelines for the Board of Review to implement. The guidelines shall include but not be limited to the specific income and asset levels of the claimant and all persons residing in the household, including any property tax credit returns, filed in the current or immediately preceding year;

To be eligible, a person shall do all the following on an annual basis:

1. Be an owner of and occupy as a principal residence for a period of at least three years the property for which an exemption is requested.
2. File a claim with the Assessor or Board of Review, accompanied by federal and state income tax returns for all persons residing in the principal residence, including any property tax credit returns filed in the immediately preceding year or in the current year or a signed State Tax Commission Form 4988, Poverty Exemption Affidavit.

3. File a claim reporting that the combined assets of all persons do not exceed the current guidelines. Assets include but are not limited to, real estate other than the principal residence, personal property, motor vehicles, recreational vehicles and equipment, certificates of deposit, savings accounts, checking accounts, stocks, bonds, life insurance, retirement funds, etc.
4. Produce a valid driver's license or other form of identification if requested.
5. Produce, if requested, a deed, land contract, or other evidence of ownership of the property for which an exemption is requested.
6. Meet the federal poverty income guidelines as defined and determined annually by the United States Department of Health and Human Services or alternative guidelines adopted by the City of Petoskey providing the alternative guidelines do not provide eligibility requirements less than the federal guidelines.
7. The application for an exemption shall be filed after January 1, but one day prior to the last day of the December Board of Review. The filing of this claim constitutes an appearance before the Board of Review for the purpose of preserving the right of appeal to the Michigan Tax Tribunal.

The following are the federal poverty income guidelines which are updated annually by the United States Department of Health and Human Services. The annual allowable income includes income for all persons residing in the principal residence.

Federal Poverty Guidelines for 2019 Assessments

Number of Persons Residing in the Principal Residence	Poverty Guidelines Annual Allowable Income
1 person	\$12,490
2 persons	\$16,910
3 persons	\$21,330
4 persons	\$25,750
5 persons	\$30,170
6 persons	\$34,590
7 persons	\$39,010
8 persons	\$43,430
Each additional person, add	\$ 4,420

NOW, THEREFORE, BE IT HEREBY RESOLVED that the Assessor and Board of Review shall follow the above and attached stated policy and federal guidelines in granting or denying an exemption, unless the Assessor and Board of Review determines there are substantial and compelling reasons why there should be a deviation from the policy and federal guidelines and these reasons are communicated in writing to the claimant.

Said resolution was adopted by the following vote:

AYES: Marshall, Shumway, Dittmar, Walker (4)

NAYS: None (0)

Approve Motor Pool Vehicle Purchase – Resolution No. 19266

The Director of Public Works reviewed that the City's 2019 budget and CIP included \$210,000 for the purchase of a heavy-duty utility truck with aerial device, primarily for use by the Public Works Department in conjunction with electric distribution operations. This proposed unit will replace an aging 1995 similar type utility aerial truck which will be retired and sold at auction. City staff reviewed detailed specifications as provided through the Mi-Deal State of Michigan Purchase Contract and determined that the unit from Altec Industries, Inc., Waterford, Michigan, was suitable for the specified application as required by the City.

City Councilmember Marshall moved that, seconded by City Councilmember Shumway approval of the purchase from Altec Industries, Inc., Waterford, through the Mi-Deal State of Michigan Purchase Contract, a latest production heavy-duty utility truck with aerial device, at a cost not to exceed \$203,386.

Said motion was adopted by the following vote:

AYES: Marshall, Shumway, Dittmar, Walker (4)

NAYS: None (0)

Council Comments

Mayor Protem Dittmar asked for Council comments and City Councilmember Shumway commended DPW staff on snowplowing efforts and the quick response to weather conditions and concerns.

There being no further business to come before the City Council, this February 4, 2019, meeting of the City Council adjourned at 7:55 P.M.

Grant Dittmar, Mayor Protem

Alan Terry, Clerk-Treasurer