



**CITY COUNCIL**

June 17, 2019

A regular meeting of the City of Petoskey City Council was held in the City Hall Council Chambers, Petoskey, Michigan, on Monday, June 17, 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: John Murphy, Mayor  
Kate Marshall, City Councilmember  
Suzanne Shumway, City Councilmember  
Grant Dittmar, City Councilmember  
Lindsey Walker, City Councilmember

Absent: None

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

**Consent Agenda - Resolution No. 19307**

Following introduction of the consent agenda for this meeting of June 17, 2019, City Councilmember Dittmar moved that, seconded by City Councilmember Walker adoption of the following resolution:

BE IT RESOLVED that the City Council does and hereby confirms that the draft minutes of the June 3, 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 June 3, for contract and vendor claims at \$658,660.38, intergovernmental claims at \$0, and the June 13 payroll at \$213,684.72, for a total of \$872,345.10 be and is hereby acknowledged.

Said resolution was adopted by the following vote:

AYES: Marshall, Shumway, Dittmar, Walker, Murphy (5)

NAYS: None (0)

**Hear Public Comment**

Mayor Murphy asked for public comments and there was a comment concerning HR763 on energy efficiency and requested that this topic be on a future agenda to address clean city initiatives; and heard a comment that was opposed to the funds spent on the tribal litigation.

### **Hear City Manager Updates**

The City Manager reported that the Land Information Access Association (LIAA) is assisting the City in incorporating sustainability and resiliency measures within the update of the Master Plan and applying for a grant for climate adoption projects; reviewed differences between commercial and residential fireworks; that the US-31 detour for northbound highway traffic ended this morning; that the Teamsters ratified the collective bargaining agreement and staff requested to hold a special meeting on June 24 or June 25 in lieu of the July 1 meeting to approve the contract; that the Tip of the Mitt Watershed Council in partnership with the City received a \$50,494.40 grant from the Great Lakes Fishery Trust to look into engineering alternatives for the Lake Street Dam; reviewed items discussed at the Planning Commission including an approval of a car wash at Fletch's Auto Dealership, requested staff to work with a third party attorney to draft a legal opinion on whether the proposed Harbor Hall development complies with the 2018 ZBA decision as well as code requirements for the B-2B district, conducted a public hearing for 200 East Lake Street, Petoskey Grand, concerning a PUD zoning change request and scheduled a public hearing for medical marijuana zoning ordinance for the July 18 meeting; and that the Parks and Recreation Department installed a bicycle repair station in Bayfront Park with the Trails Council donating \$500 to help offset some of the costs.

City Councilmembers inquired on when a Brownfield TIF for 200 East Lake Street will be discussed at City Council and suggested discussing at the beginning of August and Council agreed to cancel the July 1, 2019 regular Council meeting and schedule a special meeting to discuss the Teamsters contract at 5:30 P.M., Monday, June 24, 2019.

### **Approve 100% Renewable Energy by 2035 – Resolution No. 19308**

The City Manager reviewed that staff has been working with officials from Michigan Public Power Agency (MPPA) on a vision of 100% renewable energy powering the City's electric needs by 2040. The City Manager further reviewed that according to current energy contracts MPPA has multiple partners, the City could transition to 100% renewable energy by 2040; reviewed goals including the transition to renewal energy sources according to the following schedule: December 31, 2020 15%; 2025 25%; 2030 40%; 2035 70%; and 2040 100%; that a goal is to maximize opportunities for citizen participation and the development of new business models; that structured mechanisms to include low-income citizens in the benefits to be derived; educating and informing citizens and businesses; adopting an integrated approach to fiscal, economic and energy policy; and that City Council and staff review renewable energy goals at least every two years.

Patrick Bowland, MPPA representative, gave a brief presentation on the City's current status in energy sources and future needs; reviewed when current contracts end; and that the City needs to diversify and have several sources and be turning over agreements.

City Councilmembers inquired on the length of the contracts; inquired on how many municipalities have approved a similar resolution for 100% renewables; discussed goals over the years and the possibility of adjusting 100% to 2035; and that City Council and MPPA conduct a joint workshop to discuss goals.

Mr. Bowland responded that the City has two main contracts which are phasing out including Belle River by 2029 and Campbell #3 by 2040; and that Traverse City is the only community having approved a goal of 100%, but that several other municipalities are working towards more renewables.

Mayor Murphy asked for public comments and heard an inquiry on what the new energy sources will cost; heard from those in support of 100% renewables and proposed resolution; and that it is imperative to set goals otherwise projects won't get completed.

Mr. Bowland responded that costs are unknown at this point in time.

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

### **A RESOLUTION ADOPTING A VISION OF 100% RENEWABLE ENERGY POWERING THE CITY OF PETOSKEY'S ELECTRIC NEEDS BY 2035**

WHEREAS, a recent study published by scientists and experts titled “*An Assessment of the Impacts of Climate Change on the Great Lakes*,” concluded that the effects of climate change on the Great Lakes is occurring at a much faster pace than other parts of the country and that if not properly mitigated, climate change has the potential to degrade economic, aesthetic, recreational and ecological factors in Midwestern communities; and WHEREAS, research has demonstrated that in addition to climate benefits, shifting to 100% renewable energy creates jobs, boosts economic growth, has marginal impact on energy rates, and if done pragmatically over time, keeps energy rates lower over time as well as reducing pollution-which improves public health, saves lives and reduces health care costs; and

WHEREAS, the City of Petoskey has adopted the 2014 Petoskey Master Plan that addresses environmental, economic and social goals pertaining to long-term sustainability and resiliency within the community; and

WHEREAS, the Petoskey Master Plan states that the community should encourage sustainability and resiliency measures through the reduction of dependence upon fossil fuels and activities that harm life-sustaining ecosystems while meeting the hierarchy of present and future human needs fairly and efficiently; and

WHEREAS, the Petoskey Master Plan also encourages the City to “*Work with the Michigan Public Power Agency (MPPA) and other jurisdictions to develop and utilize alternative, renewable energy resources*”; and

WHEREAS, the City Council adopted the 2018 Action Plan with Goal Five to Develop and Promote Community Sustainability Measures by conserving energy and promoting energy efficiencies and the use of clean and renewable energy; and

WHEREAS, addressing energy use and climate change with renewable energy goals provides an opportunity for the City to move towards greater community sustainability and resiliency; and

WHEREAS, in March of 2019, MPPA representatives made a presentation to the Petoskey City Council stating that wind and solar power are currently competitive sources of new energy generation now and into the foreseeable future; and

WHEREAS, the City of Petoskey owns and operates its own electric utility and desires to maintain affordable electric rates for residential and commercial properties; and

WHEREAS, renewable energy resources have been shown by a wide range of studies to be the most cost-effective and stable future sources of energy power generation; and

WHEREAS, rooftop solar, low-income community solar, and demand control technologies can be integrated through rate studies and analysis that offer the opportunity to redistribute resources, address poverty, and stimulate new economic activity in the City; and

WHEREAS, the City is currently undertaking energy audits that will provide valuable information on how to increase energy efficiency on City buildings further complementing the efforts to transition to more renewable energy production:

NOW, THEREFORE, BE IT RESOLVED that the City of Petoskey City Council does and hereby authorizes the following:

The City of Petoskey resolves to partner with MPPA and its other member jurisdictions to derive 100% of the community’s electric energy through renewable energy resources and associated technologies by 2035. To that end, the City of Petoskey establishes the following goals:

- **Transition to Renewable Energy Sources:** Work with MPPA and other member jurisdictions to increase the percentage of electric power generated by renewables according to the following schedule.

December 31, 2020	15%
2025	30%
2030	70%
2035	100%

- **Maximizing opportunities for citizen participation and the development of new business models:** At the heart of a successful 100% renewable energy strategy, it will be fundamental to allow open participation in the development and financing of energy infrastructure.
- **Structured mechanisms to include low-income citizens in the benefits to be derived:** Access to the financial and environmental benefits of renewable energy must be shared equally across all economic classes.
- **Educating and informing citizens and businesses:** Implementing a 100% renewable energy strategy will require the participation of a variety of stakeholders, which makes both the breadth and the depth of awareness crucial to long term success. Educating and informing the public as well as businesses about Petoskey’s renewable energy goals and its long-term benefits will facilitate public support and acceptance.
- **Adopting an integrated approach to fiscal, economic and energy policy:** A successful 100% renewable energy strategy will require an integrated approach across policy areas such as fiscal, energy, economic and infrastructure policy.
- **Review of Renewable Energy Goals:** At least every two years, City Council and Staff will review progress on the aforementioned goals.

Said resolution was adopted by the following vote:

AYES: Marshall, Shumway, Dittmar, Walker, Murphy (5)  
 NAYS: None (0)

**Approve Emmet County Curbside Recycling Service Agreement – Resolution No. 19309**

The City Manager reviewed that the five-year agreement for weekly recycling services through Emmet County is due to expire on September 30, 2019; reviewed highlights of the new five-year agreement that would expire on September 30, 2024; reviewed increased monthly rates; and that staff had inquired with Emmet County on the substantial increase of 10% starting October 1, 2019, and the County indicated that operating costs have increased 28% from the previous year.

Andi Shepherd, Emmet County Public Works Director, gave a brief presentation on the recycling program, reviewed proposed contract and reasoning for increased costs.

City Councilmember Walker recused herself from the discussion due to her employment at Emmet County Department of Public Works.

City Councilmember Shumway moved that, seconded by City Councilmember Marshall authorization to contract with Emmet County for curbside recycling services and approve the Municipal Curbside Recycling Service Agreement.

Said motion was adopted by the following vote:

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

NAYS: None (0)

ABSTAIN: Walker (1)

**Adopt & Implement Local Agency Pavement Warranty Program – Resolution No. 19310-19311**

The City Manager reviewed that as part of the Transportation Funding Package of 2015, the Michigan Legislature created a requirement MCL 247.662 and 247.663 that each local road agency in Michigan adopt a Local Pavement Warranty Program acceptable to MDOT. The City Manager further reviewed that the program is the statewide accepted format that local agencies can use for hot mix asphalt and concrete paving projects on public roads and streets, if communities opt to utilize a warranty on a project; that the program must be adopted no later than September 18, 2019; that every community must consider a warranty on each project utilizing any state or federal funding that is \$2 million or more in paving-related components; and that two resolutions needed to be adopted to adopt and implement the program.

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

WHEREAS, the Michigan Legislature (MCL 247.663) requires each city or village to adopt a Local Agency Pavement Warranty Program that was approved by the Michigan Department of Transportation in 2018; and

WHEREAS, the Michigan Local Agency Pavement Warranty Program was developed by the Local Agency Pavement Warranty Task Force for use by all 533 cities and villages in the format approved by the Michigan Department of Transportation in 2018; and

WHEREAS, the Michigan Department of Transportation has reviewed and approved the Michigan Local Agency Pavement Warranty Program consisting of Special Provisions (Boilerplate, Concrete, HMA, Location, Pass-Through Warranty Bond); a Warranty Bond Form and Contract Form; and Guidelines for Local Agency Pavement Warranty Programs:

NOW THEREFORE BE IT RESOLVED, the City of Petoskey City Council hereby adopts the Michigan Local Agency Pavement Warranty Program and accompanying documents in accordance to the requirements of MCL 247.663; and

BE IT FURTHER RESOLVED, this resolution is made a part of the minutes of the City of Petoskey meeting on June 17, 2019.

Said resolution was adopted by the following vote:

AYES: Marshall, Shumway, Dittmar, Walker, Murphy (5)

NAYS: None (0)

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

WHEREAS, The Michigan Legislature created a requirement (MCL 247.663) as part of the Transportation Funding Package of 2015 that requires each city and village to adopt a Local Agency Pavement Warranty Program that was approved by the Michigan Department of Transportation in 2018; and

WHEREAS, the City of Petoskey City Council adopted the Michigan Local Agency Pavement Warranty Program on June 17, 2019; and

WHEREAS, the City of Petoskey agrees to consider a local pavement warranty on each project that includes \$2 million or more in paving-related items *and* includes any state or federal funds; and

WHEREAS, the Local Agency Pavement Warranty Program law requires each city and village to report annually on each project that includes \$2 million or more in paving-related items *and* includes any state or federal funds, whether or not a warranty was utilized in the project; and

WHEREAS, the City of Petoskey agrees to implement the Michigan Local Agency Pavement Warranty Program consistent with the Guidelines for Local Agency Pavement Warranty Program document that was approved by the Michigan Department of Transportation in 2018; and which the City of Petoskey's adopted Implementation Policy defines the City of Petoskey's intent of its pavement warranty program:

NOW THEREFORE BE IT RESOLVED, the City of Petoskey City Council hereby agrees to implement the Local Agency Pavement Warranty Program and annually report in accordance with the law.

Said resolution was adopted by the following vote:

AYES: Marshall, Shumway, Dittmar, Walker, Murphy (5)

NAYS: None (0)

**Council Comments**

Mayor Murphy asked for Council comments and City Councilmember Dittmar thanked the Parks and Recreation Commission and staff for hosting Picnic in the Parks. City Councilmember Shumway commented that staff should review parking tickets issued via Park Mobile app that monitors when user actually leaves since this type of violation would not apply to users paying by coins.

There being no further business to come before the City Council, this June 17, 2019, meeting of the City Council adjourned at 8:30 P.M.

John Murphy, Mayor

Alan Terry, Clerk-Treasurer