



CITY COUNCIL

December 16, 2019

A regular meeting of the City of Petoskey City Council was held in the City Hall Council Chambers, Petoskey, Michigan, on Monday, December 16, 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 and District Library Director Val Meyerson.

Hear Presentation for Outgoing Councilmember Dittmar

Mayor Murphy presented a plaque to Councilmember Dittmar thanking him for his years of public service and leadership to the City from 2012-2019.

Hear Presentation on Sister City Program

District Library Director Val Meyerson gave a presentation concerning her trip to Takashima, which is located in Shiga Prefecture, as part of the Sister City Program; reviewed the Sister City Program and that the Goodwill Mission-State Shiga has been in place since 1976; reviewed highlights from her 10-day trip; and highly recommended that Council, staff and audience partake in the experience.

Consent Agenda - Resolution No. 19354

Following introduction of the consent agenda for this meeting of December 16, 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 December 2, 2019 special session and regular session City Council meetings 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 December 2, for contract and vendor claims at \$811,021.77, intergovernmental claims at \$342,459.76, and the December 12 payroll at \$291,247.13, for a total of \$1,444,728.66 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 heard from Kim Wills, 204 State Street, concerning the solar panels and their life span. The City Manager responded that the solar panels will last approximately 20 years and will be part of the upcoming study.

Hear City Manager Updates

The City Manager reported that Dan Leonard with MEDC is unable to attend the January 20 meeting and could schedule a special meeting for the pro-forma training at 6:00 P.M., February 3 and further discuss a final conceptual plan for the Darling Lot per the RRC program later in the evening at the regular scheduled meeting; thanked Dean Burns with the Burns Foundation for donating \$5,000 to the Petoskey District Library; that staff has sent out letters to affected property owners along the Little Traverse Wheelway regarding the erosion and slope failure issues and that the trail between Magnus Park and Arrowhead Shores will be closed for the season for safety concerns; that staff is working with the City Attorney on finalizing a draft ferry boat agreement for service between Harbor Springs, Bay Harbor and the City which will be brought forward for Council consideration in early 2020; that the Bayfront stair tower project has been largely completed with concrete work to be finished no later than April 2020; and that he will be taking several vacation days between now and New Year's Eve and can be reached via cell phone and will be responding to emails periodically.

City Councilmembers discussed the Darling Lot and heard from those in favor of suspending the Darling Lot project as part of the RRC program and also heard from those in favor of having summary reports and conceptals for the Darling Lot to review prior to the February meeting.

Downtown Management Board Appointment – Resolution No. 19355

Mayor Murphy reviewed that City Council consider possible reappointment to the Downtown Management Board.

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 approves the reappointment of Robin Bennett, 2335 Hemlock Lane, to the Downtown Management Board, for a four-year term ending December 2023.

Said resolution was adopted by the following vote:

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

Planning Commission Appointment – Resolution No. 19356

Mayor Murphy reviewed that City Council consider possible reappointment to the Planning Commission.

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

BE IT RESOLVED that the City Council does and hereby approves the reappointment of Emily Meyerson, 520 Cherry Street, to the Planning Commission, for a three-year term ending August 2022.

Said resolution was adopted by the following vote:

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

Second Discussion and Additional First Reading of Proposed Ordinance Amending Chapter 8, Article VIII Concerning Mobile Food Vending

The City Manager reviewed that this was a second discussion of revisions to both an ordinance and resolution pertaining to mobile food trucks; that there was one substantial change to the ordinance recommended by Council at the last meeting that entails allowing mobile food vending as part of a private event in residential areas; that staff felt another first reading was needed; and reviewed the proposed revision to the ordinance which included the following language in Section 8-302(b) Mobile Food Vending Locations: "In a residential district, mobile food vending on private property shall only be allowed as part of a private event and shall only serve food to event attendees and not the general public. Mobile food vending on private property shall not be allowed to utilize public property including but not limited to street rights-of-way."

City Council will conduct a second reading of the proposed ordinance at the next regular scheduled meeting.

Approve 2020 Action Plan – Resolution No. 19357

The City Manager reviewed that on October 14, 2019 City Council and staff met to discuss an update to the 2018 Action Plan; reviewed that as requested by Council at the December 2 meeting, staff placed the document on the City's website to solicit further comment; that one comment was received via email; and that staff recommended the document be dated 2020 Action Plan due to the nearness of the new year.

City Councilmembers discussed setting goals in a concrete plan approximately five years out; inquired if there are extra costs for renewables and if so, what funds are used to pay for the renewable energy; that Goal 3(1) should be revised to include reviewing process used in evaluating properties; and concurred to change the document to the 2020 Action Plan.

City Councilmember Marshall moved that, seconded by City Councilmember Walker adoption of the 2020 Action Plan with suggested revisions.

Said motion was adopted by the following vote:

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

Approve 2020 Rates and Charges as Corrected – Resolution No. 19358

The Director of Finance reviewed that City Council approved the 2020 schedule of rates and charges as part of the budget resolution on November 18, 2019; that the water and sewer capital charges included rates from 2018 instead of the new rates that were established in 2019 and that remain the same for 2020; and that staff recommended Council approve the revised rate schedule correcting the water and sewer capital charges for 2020.

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

WHEREAS, the City Council approved the 2020 schedule of rates and charge at their November 18, 2019 meeting and;

WHEREAS, the schedule included incorrect amounts for the Water and Sewer Capital charges, which are to remain the same as in 2019:

NOW, THERFORE, BE IT RESOLVED, that the City of Petoskey City Council hereby approves the revised schedule of rates for Water and Sewer Capital Charges within the 2020 schedule of Rates and Charges.

Said resolution was adopted by the following vote:

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

NAYS: None (0)

Approve 2019 Budget Amendments – Resolution No. 19359

The Director of Finance reviewed that at the end of each fiscal year, the City Council is routinely asked to formally adopt amendments to the Annual Budget. These amendments are necessitated by a variety of circumstances, and in many cases are administrative changes to formally reflect previously approved actions and priorities.

The Director of Finance reviewed General Fund amendments and that revenues are increasing in Public Safety for reimbursement from MDOT for extra patrols during the highway reconstruction project (\$18,000); park revenue increases include state grants from Pennsylvania Park reimbursements for 2017 work (\$136,000), local grants for pickleball courts (\$20,000), and Magnus Park increase in sales (\$50,000); marina revenues increased for state grant for electrical upgrades (\$135,000) and fuel sales (\$50,000); administration fees increased for Parking Funds share of downtown restrooms (\$110,500); and that the total increase in revenue is \$519,500.

The Director of Finance further reviewed General Fund expenditure increases including Public Safety for wages and fringe benefits (\$50,000), Buildings and Grounds for downtown restrooms (\$278,000), Marina for electrical upgrades (\$155,000) and increased fuel sales (\$17,000) resulting in a total increase in expenditures of \$500,000.

The Director of Finance also reported TIFA Fund amendments including additions to budget expenditures for the stair tower replacement (\$175,000) and Bayfront Park shoreline erosion work (\$200,000) for a total increase of \$375,000.

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

WHEREAS, at the close of the City's 2019 fiscal year, the City staff has determined that revenues and expenditures within two City funds is anticipated to differ from amounts that had been budgeted for:

NOW, THEREFORE, BE IT RESOLVED that budgeted revenues and expenditures within the General Fund and TIFA Fund be adjusted as follows:

	<u>Original</u>	<u>Amendment</u>	<u>Difference</u>
General Fund			
Revenues:			
Operating	\$4,597,800	\$4,597,800	\$ 0
Non-operating	37,000	37,000	0
Activities:			
Grants	74,600	365,600	291,000
Public Safety	23,100	41,100	18,000
Recreation	150,000	150,000	0
Parks	341,200	391,200	50,000
Bayfront Park Marina	808,500	858,500	50,000
Transfers	<u>2,414,300</u>	<u>2,524,800</u>	<u>110,500</u>
 Total Revenues and Transfers	 <u>\$8,446,500</u>	 <u>\$8,966,000</u>	 <u>\$ 519,500</u>

Expenditures:			
General Governmental Services	\$1,738,800	\$1,738,800	\$ 0
Public Safety	3,446,000	3,496,000	50,000
Public Works	632,600	632,600	0
Recreation and Cultural	<u>2,612,800</u>	<u>3,062,800</u>	<u>450,000</u>
Total Expenditures	<u>\$8,430,200</u>	<u>\$8,930,200</u>	<u>\$ 500,000</u>
TIFA Fund			
Expenditures:			
TIFA	<u>\$ 561,100</u>	<u>\$ 936,100</u>	<u>\$ 375,000</u>

Said resolution was adopted by the following vote:

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

NAYS: None (0)

Approve Liquor License for Mammoth Distilling LLC – Resolution No. 19360

The City Manager reviewed that a representative for Mammoth Distilling LLC, Torch Lake, requested approval to operate an Off-Premises Tasting Room in the Village of Bay Harbor; that Mammoth Distilling has been in business since 2013 and is currently licensed with the Michigan Liquor Control Commission as a Small Distiller, Micro Brewer and Small Wine Maker; that Bay Harbor Company LLC is aware of the business intentions and a draft lease agreement is prepared for 4197 Main Street, Bay Harbor; and that a background review has been completed by the Public Safety Department in conjunction with the LCC.

City Councilmember Shumway moved that, seconded by City Councilmember Dittmar to adopt a resolution supplied by the Michigan Liquor Control Commission approving a New Off-Premises Tasting Room License for Mammoth Distilling LLC, to be located at 4197 Main Street, Bay Harbor.

Said resolution was adopted by the following vote:

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

NAYS: None (0)

Approve Resolution Encouraging the State of Michigan to Declare the State’s Shorelines as a Disaster Area – Resolution No. 19361

The City Manager reviewed that because of the ubiquitous damage to Michigan shorelines as a result of high water levels, many communities in Michigan are seeking State and Federal assistance in declaring Michigan’s 3,288 miles of coastline a disaster area; that by declaring the State’s shoreline a disaster area, there may be federal assistance from Congress and the President of the United States to mitigate many of the devastating impacts to shorelines as a result of coastal erosion; and that by adopting a resolution it encourages the Governor and State Legislatures to give favorable consideration to the declaration of the shoreline in the State of Michigan as a disaster area.

City Councilmembers inquired where the resolution language was generated and if Legislators are good about following up to matters. The City Manager responded that resolution language was drafted from examples provided on the City Manager listserv and that Legislators are good at responding.

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

WHEREAS, record high water levels in the Great Lakes as well as the bay and rivers connected to them, have contributed toward major erosion on beaches and shorelines all across the State of Michigan during high water levels and currently throughout 2019; and

WHEREAS, it is anticipated that the Michigan winter with ice flows and jams will continue to worsen the already bad situation throughout the Great Lakes; and

WHEREAS, the Great Lakes are Michigan's most vital and precious resource; and

WHEREAS, the City of Petoskey recognizes the effects of storms, high water, and wind driven wave action that are causing severe erosion of the shoreline as well as related infrastructure damage; and

WHEREAS, the public trust doctrine states that the sovereign holds in trust, for the public use, the resources such as the shoreline regardless of private property ownership; and

WHEREAS, the 3,288 miles of shoreline in the State of Michigan must be protected as referred to in the Public Trust Doctrine; and

WHEREAS, the Great Lakes are the State of Michigan's economic and property value driver for the tax base along the shoreline and connecting tributaries; and

WHEREAS, the conditions of the Great Lakes shoreline affect businesses and the tourism industry by limited access to beaches and pedestrian/bicyclists trails, the loss of property along the shoreline directly affects the local, county and state tax base; and the effects on municipal water systems and the inland water levels throughout the state are all affected:

NOW, THEREFORE, BE IT RESOLVED, the City of Petoskey City Council requests that the Governor of the State of Michigan along with the State Legislature give favorable consideration to the declaration of the shoreline in the State of Michigan as a disaster area, and seek assistance from Congress and the President of the United States for this devastating situation which has an impact statewide; and

BE IT FURTHER RESOLVED, that nothing from this resolution shall require any action by the City of Petoskey, the Petoskey Department of Public Works, the Petoskey Public Safety Department, the Petoskey Municipal Marina or any other City entity.

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 Councilmember Dittmar commented that he was thankful for the opportunity to serve the community and all the relationships formed over the years and that the City is in good shape. City Councilmembers thanked Councilmember Dittmar for his service. Mayor Murphy commented that Councilmember Dittmar was always prepared for meetings and thanked him for his leadership and public service.

There being no further business to come before the City Council, this December 16, 2019, meeting of the City Council adjourned at 8:35 P.M.

John Murphy, Mayor

Alan Terry, Clerk-Treasurer