



CITY COUNCIL

September 21, 2020

A regular meeting of the City of Petoskey City Council was held from virtual locations on Monday, September 21, 2020. 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
Suzanne Shumway, City Councilmember
Brian Wagner, City Councilmember
Lindsey Walker, City Councilmember

Absent: Kate Marshall, City Councilmember

Also in attendance were City Manager Rob Straebel, Clerk-Treasurer Alan Terry, Public Works Director Mike Robbins, Downtown Director Becky Goodman and Executive Assistant Sarah Bek.

Hear Slope Failure Study Presentation

Rory Agnew, representative from Baird and Associates gave a detailed presentation on the slope failure study near Arrowhead Shores including proposed concepts and related costs. As the slope failure issues affect the region, elected officials from Resort Township and Emmet County participated in the presentation to get a better understanding of coastal erosion issues in this area and costs of the \$81,000 study have been shared equally by Resort Township, Emmet County and the City of Petoskey.

City Councilmembers inquired if consultants expect more slope failures and where; how erosion is affecting highway and if it will inhibit the road; heard concerns with continued failures how it will affect the homes near Arrowhead Shores and the highway; and thanked Baird and Associates for the detailed report and all other staff and elected officials involved.

Mr. Agnew responded that more failures are expected due to fall storm season and high water levels; that the study focuses on 100-year water level and doing nothing, failure will continue; that MDOT has installed sensors in road and there are no new erosions since installation; and that MDOT continues to monitor roadway.

Emmet County Commissioners inquired on where the cobblestone would be located; if the construction on bluff is causing instability of bluff; and if armour stone is available if project moves forward.

Mr. Agnew reviewed that cobblestone would be located along the entire shoreline area; discussed drainage into slope and stability of slope; and that armour stone is available if needed, but rates have increased due to demand.

A representative from OHM Advisors that helped with the study responded that buildings near the crest and basements could further destabilize slope; that the lake bottom should be stable with cobblestone; and no lake cutting would occur as with a sandy bottom.

The City Manager reviewed that short-term drawings are needed to have conceptual drawings for area along the highway from East Park to Petoskey and that costs associated with conceptual drawings is \$9,000 and both the City of Petoskey and Resort Township have committed to a 1/3 of the cost and Emmet County will be discussing participation at their meeting in October.

Mayor Murphy asked for public comment heard from those in favor of preparing conceptual plans for a safe, alternate route and thanked everyone involved for the development of study.

Consent Agenda - Resolution No. 19447

Following introduction of the consent agenda for this meeting of September 21, 2020, City Councilmember Wagner 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 August 17, 2020 regular session and August 31, 2020 special 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 August 17, 2020 for contract and vendor claims at \$12,741,029.47, intergovernmental claims at \$6,088,460.40, and the August 20 and September 3 payrolls at \$454,527.55, for a total of \$19,284,017.42 be and is hereby acknowledged.

Said resolution was adopted by the following vote:

AYES: Shumway, Wagner, Walker, Murphy (4)

NAYS: None (0)

Hear Public Comment

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

Hear City Manager Updates

The City Manager reported that City staff continues to explore the feasibility of incorporating solar panels at the Howard Road landfill and staff is working with Tetra-Tech at a cost of \$8,800 to study the potential impacts on the landfill from installing ground-mounted solar panels; that the City recently received a \$179,269 grant for public safety payroll reimbursement through a federal grant to the State to offset some of the costs associated with the COVID response; that the City also received notice of a one-time \$1,000 bonus pay for all public safety officers through the federally funded Coronavirus Aid Relief and Economic Security (CARES) Act; reviewed Planning Commission updates from their last meeting including approval of McLaren Hospital signage, postponement of medical marijuana provisioning center special use permit and conditional zoning changes for properties at 501 and 523 East Mitchell Street; that staff met with NCMC representatives to discuss the design of the future Ring Road connecting Howard Street to Atkins Road; that the City's COVID Preparedness and Response Plan and health monitoring forms have been updated and staff continues to strongly enforce social distancing as well as mask use within all City buildings; thanked all Councilmembers for completing the annual City Manager performance evaluation and that since all Councilmembers couldn't be present tonight, the Mayor decided to discuss evaluation in closed session on October 5; reviewed project updates and that Kalamazoo Avenue improvements are scheduled to be completed near the end of October and Jackson Street improvements are slated to be completed around September 28; that Resort Township committed to funding 1/3 of the costs to develop conceptual drawings for a new trail adjacent to the highway from East Park into the City, which total costs developed by Beckett and Raeder are \$9,750 and he would like the City to commit to sharing costs contingent upon the participation of Emmet County; and reviewed that there has been a second slope failure on the Little Traverse Wheelway and anticipates more of these failures in the coming months.

City Councilmembers inquired why parts of Kalamazoo Avenue and Hill Street can't be open to traffic since it is paved; heard inquiries of how solar project study will be funded; inquired on MPPA objectivity on solar array; and who pays for traffic study for medical marijuana provisioning center.

The City Manager responded that Kalamazoo Avenue and Hill Street is not open to traffic due to one layer of asphalt at this time and it is not able to hold traffic; reviewed costs on solar project study and that monies will be used from grants received; that MPPA will be objective on solar array; and that the developer of medical marijuana provisioning center will pay for traffic study if needed, but may be a discussion rather than a study.

Approve Board Appointments – Resolution 19448-19452

Mayor Murphy reviewed that City Council consider the following appointments.

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

BE IT RESOLVED that the City Council does and hereby approves the appointment of Anne Chaffee, 523 College View Drive, to the Compensation Commission for a one-year term ending September 2021.

Said resolution was adopted by the following vote:

AYES: Shumway, Wagner, Walker, Murphy (4)

NAYS: None (0)

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 appointment of Anne Srigley, 510 Harvey Street, to the Compensation Commission for a two-year term ending September 2022.

Said resolution was adopted by the following vote:

AYES: Shumway, Wagner, Walker, Murphy (4)

NAYS: None (0)

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

BE IT RESOLVED that the City Council does and hereby approves the appointment of John Holec, 425 Myrtle Street, to the Compensation Commission for a three-year term ending September 2023.

Said resolution was adopted by the following vote:

AYES: Shumway, Wagner, Walker, Murphy (4)

NAYS: None (0)

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 appointment of Gordon Bourland, 121 West Lake Street, to the Compensation Commission for a four-year term ending September 2024.

Said resolution was adopted by the following vote:

AYES: Shumway, Wagner, Walker, Murphy (4)

NAYS: None (0)

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

BE IT RESOLVED that the City Council does and hereby approves the appointment of Deborah Cadieux, 721 Grove Street, to the Compensation Commission for a five-year term ending September 2025.

Said resolution was adopted by the following vote:

AYES: Shumway, Wagner, Walker, Murphy (4)

NAYS: None (0)

Mayor Murphy reviewed that the reappointment of Eric Yetter to the Planning Commission will not be considered at this meeting since the applicant contacted the Mayor to further discuss the position with him due to his busy schedule.

Discuss 2021-2026 Capital Improvement Plan

The City Manager reviewed that copies of the proposed 2021-2026 CIP were distributed to City Council and Planning Commission in advance of this meeting and the draft plan was posted on the City's website on August 27 with four comments received. The Plan was unanimously accepted and recommended for City Council approval by the Planning Commission on August 20, 2020. The City Manager reviewed that the six-year plan totals \$51.8M in expenditures, with capital spending in 2021 proposed at \$4.5M, of which \$921,500 (20.4%) is anticipated to come from grants and other outside sources of revenue; that if approved, projects will be included within the 2021 proposed annual City budget; and reviewed 2021 projects in detail including a full reconstruction of Greenwood Road from Sheridan Street to Charlevoix Avenue; street repaving and curb restoration on portions of Hill Street, West Jefferson Street and Connable Avenue; miscellaneous pavement preservation and repair for Outlook Street, portions of Harvey Street and Washington Street from Buckley to Franklin Streets; water and wastewater improvements as part of the Greenwood Road project; miscellaneous water and sewer main line replacements; sidewalk and crosswalk construction; electric system-wide upgrades; further studies for a potential solar array project at Howard Road landfill; undergrounding of electric lines focusing on portions of Waukazoo, Rush, Beech and Pearl Streets; reviewed planned motor pool purchases; parking structure engineering for the Saville Lot contingent upon execution of a Brownfield Plan associated with a proposed hotel at Bay and Howard Streets; Sunset Park enhancements; engineered drawings for a redesign of Arlington Park and the Lewis Street area; improvements to the Marina's fuel system; resurfacing 1/3 mile of the Little Traverse Wheelway; coastline improvements at Solanus Beach; and engineered drawings for future bathrooms at River Road Sports Complex. The City Manager gave a brief overview of 2022-2026 projects.

City Councilmembers inquired on the status of the City Hall rooftop solar project; asked for clarification on grants vs. expenditures; heard an inquiry on how projects get on plan when not identified in previous plans; and future funding on park improvements should be discussed and secured for Washington, Lockwood and Curtis Parks.

The City Manager responded that City Hall rooftop solar is in the design stage with installation occurring this fall; reviewed grants vs. expenditures and grants and other revenue sources help fund projects; and that engineering for Saville Lot parking structure was prioritized in 2021 over other identified projects in previous plans due to a new developer proposing a project near Bay and Howard Streets.

City Council deferred action on the proposed CIP and will further discuss at the next regular scheduled meeting.

Approve MDOT Application & Sale of Railroad Right-of-Way – Resolution No. 19453

The City Manager reviewed that over the last year, staff has been working with MDOT Rail Division representatives regarding purchase of the former Pennsylvania Railroad property from Emmet Street to Washington Street for continuation of the Greenway Corridor; that freight demand for rail service north of Sheridan Street and south of Washington Street continues so that rail segment is not for sale at this time; that MDOT completed an appraisal of the land for a fair market value of \$28,500; reviewed how the fair market was determined using the sales comparison approach; that staff is currently having a Phase I Environmental Assessment through Mackinac Environmental Technology, Inc. completed and should be finalized in the next week at a cost of \$2,100; and that if environmental remediation is needed, either MDOT or the City may terminate the purchase agreement.

City Councilmember Walker moved that, seconded by City Councilmember Shumway to approve the application to purchase and agreement of Sale for MDOT railroad right-of-way between Emmet Street and Washington Street in the amount of \$28,500.

Said motion was adopted by the following vote:

AYES: Shumway, Wagner, Walker, Murphy (4)

NAYS: None (0)

Approve Ballot Language for Mayor and Councilmembers Terms of Office – Resolution No. 19454

The Clerk-Treasurer reviewed that City Council adopted a resolution on June 23, 2020 to have the City Attorney prepare ballot language that would revise City Charter provisions establishing a two year term of office for Mayor and a three year term of office for Councilmembers; that the ballot language will also have to be approved by the State's Office of Attorney General and Office of the Governor; that approved ballot language could be placed on the November 2021 General Election ballot, unless City Council elects to hold a special election or one is called by another entity; and if approved by voters, the new terms of office would start with terms beginning in 2023, resulting from the November 2022 election.

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

BE IT RESOLVED, by the City Council of the City of Petoskey, Michigan as follows:

1. The said City Council by vote of 4-0 of its members-elect, pursuant to the authority granted by Act 279 of the Public Acts of 1909, as amended, proposes that section 4.2 of the Charter of the City of Petoskey shall be amended to read as follows:

Section 4.2. Terms of Office.

The mayor shall be elected for a term of one (1) year. For the mayoral term of office beginning in 2023, and for each term of office thereafter, the mayor shall be elected for a term of two (2) years. The councilmembers shall be elected for a term of two (2) years and the terms shall be arranged so that two (2) wards elect a councilmember each year. For councilmember terms beginning in 2023, and for each term of office thereafter, councilmembers shall be elected for a term of three (3) years. Terms shall begin on January 1 of the year following the election.

Provisions of existing section 4.2 of the Charter of the City of Petoskey to be altered by such proposal, if adopted, reads as follows:

Section 4.2. Terms of Office.

The mayor shall be elected for a term of one (1) year. The councilmembers shall be elected for a term of two (2) years and the terms shall be arranged so that two (2) wards elect a councilmember each year. Terms shall begin on January 1 of the year following the election.

2. The City Clerk shall forthwith transmit a copy of the proposed amendment to the Governor of the State of Michigan for his/her approval, and transmit a copy of the foregoing statement of purpose of such proposed amendment to the Attorney General of the State of Michigan for his/her approval, as required by law.
3. The proposed charter amendment shall be, and the same is hereby ordered to be, submitted to the qualified electors of this City at a general election to be held in the City of Petoskey, the 2nd day of November, 2021, and the City Clerk is hereby directed to give notice of the election and notice of registration therefore in the manner prescribed by law and to do all things and to provide all supplies necessary to submit such charter amendment to the vote of the electors as required by law.

4. The proposed amendment shall be submitted to the electors in the following form, to wit:

PROPOSED AMENDMENT TO SECTION 4.2 OF THE CHARTER OF THE
CITY OF PETOSKEY

Shall Section 4.2 of the Charter be amended to change the terms of the mayor from one year to two years and councilmembers from two to three years, beginning with the terms of office starting January 1, 2023?

Yes () No ()

5. The proposed amendment shall be published in full together with the existing charter provisions altered thereby in accordance with the laws of the State of Michigan and the Charter of the City of Petoskey.
6. The canvass and determination of the votes of said question shall be made in accordance with the laws of the State of Michigan and the Charter of the City of Petoskey.

Said resolution was adopted by the following vote:

AYES: Shumway, Wagner, Walker, Murphy (4)

NAYS: None (0)

Approve Social District Application – Resolution No. 19455

The Downtown Director reviewed that on August 17, 2020 Council approved a resolution that established a Social District in Downtown according to a specified map and maintenance and operational plan; that as part of the resolution, five local licensees were approved to apply to the State for a Social District Permit that would allow them to sell alcohol that could be consumed in the Commons Area of the Social District; that moving forward, any local licensee that was not included in the resolution needed to be approved individually by Council before applying to the State; that David Meikle, 425 Michigan Street LLC dba The Back Lot, was asking for approval for a Social District Permit; and that Downtown staff recommended that this request be granted.

City Councilmember Walker moved that, seconded by City Councilmember Wagner to approve the Social District Application for 425 Michigan Street LLC dba The Back Lot.

Said motion was adopted by the following vote:

AYES: Shumway, Wagner, Walker, Murphy (4)

NAYS: None (0)

Council Comments

Mayor Murphy asked for Council comments and Councilmember Wagner thanked the citizens that volunteer to serve on the City's Boards and Commissions. Mayor Murphy commented on the great city we all live in and expressed that the community continue to stay safe.

There being no further business to come before the City Council, this September 21, 2020, meeting of the City Council adjourned at 9:43 P.M.

John Murphy, Mayor

Alan Terry, Clerk-Treasurer