



CITY COUNCIL

January 16, 2017

A regular meeting of the City of Petoskey City Council was held in the City Hall Council Chambers, Petoskey, Michigan, on Monday, January 16, 2017. 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
Izzy Lyman, City Councilmember
Grant Dittmar, City Councilmember
Jeremy Wills, City Councilmember

Absent: None

Also in attendance were City Manager Robert Straebel, Clerk-Treasurer Alan Terry, Director of Public Works Mike Robbins, Downtown Director Becky Goodman and City Attorney James Murray.

Resolution No. 19025
Approve Consent Agenda Items

Following introduction of the consent agenda for this meeting of January 16, 2017, City Councilmember Wills moved that, seconded by City Councilmember Marshall adoption of the following resolution:

BE IT RESOLVED that the City Council does and hereby confirms that the draft minutes of the January 3, 2017 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 3 for contract and vendor claims at \$2,569,656.80, intergovernmental claims at \$210,620.32, and the January 12 payroll at \$222,585.72, for a total of \$3,002,862.84 be and is hereby acknowledged.

Said resolution was adopted by the following vote:

AYES: Marshall, Lyman, Dittmar, Wills, Murphy (5)
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 that City staff will submit a geese relocation grant to help eliminate geese around the beach near Festival Shelter; reviewed the Sunset Coast Birding Trail and that the Bear River Valley area was selected as a site; reviewed activity on the storm water grant; reviewed survey results on the next Parks and Recreation Director and that the interview committee selected 9 semi-finalists to be interviewed; that the Greenway Corridor grant is moving forward; reviewed that the DMB received a final report from Walker Parking concerning the Darling Lot and that there will be future discussions.

Resolution No. 19026 – Approve RRC Program Implementation

The City Manager reviewed that City Council approved a Memorandum of Understanding (MOU) with the Michigan Economic Development Corporation that defined the responsibilities of each party for the Redevelopment Ready Communities (RRC) program on September 16, 2016. MEDC staff presented the Report of Findings on the progress meeting the program best management practices on December 19, 2016. City Council was required to adopt a resolution within 30 days supporting its intent to implement the needed action to achieve full RRC certification.

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

WHEREAS, the Redevelopment Ready Communities® (RRC) Program through the Michigan Economic Development Corporation (MEDC) helps communities position themselves for economic development and redevelopment; and

WHEREAS, the City of Petoskey became engaged in the RRC Program on October 5, 2015 and completed a self-evaluation of the six RRC best practices that were submitted on November 3, 2015; and

WHEREAS, the City Council adopted a Memorandum of Understanding with the MEDC on September 19, 2016 committing to the program terms; and

WHEREAS, The MEDC staff reviewed the City’s self-evaluation and presented its Report of Findings on the City’s status of meeting each of the best practices on December 19, 2016:

NOW, THEREFORE BE IT RESOLVED, the City of Petoskey hereby commits to continuing its progress in taking the needed actions to achieve full certification for the RRC program.

Said resolution was adopted by the following vote:

AYES: Marshall, Lyman, Dittmar, Wills, Murphy (5)
NAYS: None (0)

Discuss Labor Attorney Appointment

The City Manager reviewed that City Council interviewed two candidates for the position of Labor Attorney on January 12, 2017. The candidates were Dick Dinon, Dinon Law PLLC, Petoskey, and Kenneth Gonko, The Danielson Group, Chesterfield.

City Councilmembers favored both candidates; noting Mr. Gonko’s various areas of expertise and Mr. Dinon’s competitive rates, good contracts and how he’s performed well for the City in the past; and further discussed upcoming contracts and potential changes.

Mayor Murphy asked for public comments and heard favorable comments for Mr. Dinon; that the previous City Manager felt Mr. Dinon was respectable and that he takes his lead from City staff;

heard comments that there is a high value on existing relationship; that bigger firms aren't necessarily better; and that if Mr. Gonko is selected that travel expenses will be \$1,100 for every trip to Petoskey.

City Councilmembers concurred to further discuss possible appointment at the next meeting.

Resolution No. 19027 - Authorize
Vehicle & Equipment Purchases

The City Manager reviewed that the City's 2017 Annual Budget and Capital Improvements Plan allocated funds within the Motor Pool Fund to purchase certain vehicles and equipment. Capital expenditures as proposed for

2017 include a patrol vehicle, staff vehicle and a multi-purpose utility machine with attachments.

City Councilmember Marshall moved that, seconded by City Councilmember Wills approval of the following:

BE IT RESOLVED that the City Council does and hereby authorizes to purchase a latest-production four-wheel-drive Tahoe Police Pursuit from Berger Chevrolet Fleet Sales, Grand Rapids, at a cost not to exceed \$36,257;

BE IT RESOLVED that the City Council authorizes to purchase a latest-production four-wheel-drive GMC pick-up from Todd Wenzel Fleet and Commercial Truck Sales, Westland, at a cost not to exceed \$24,170.70; and

BE IT FURTHER RESOLVED that the City Council authorizes to purchase a latest production Bobcat Toolcat Utility Work Machine with attachments from Clark Equipment Company dba Bobcat Company of West Fargo, North Dakota, at a cost not to exceed \$62,486.40.

Said motion was adopted by the following vote:

AYES: Marshall, Lyman, Dittmar, Wills, Murphy (5)

NAYS: None (0)

Resolution No. 19028 - Authorize
Contract for Bayfront Drive Water
Main Installation Project

The City Manager reviewed that in preparation for plans to resurface Bayfront Drive in 2017 with Small Urban Grant monies as provided by the Michigan Department of Transportation, the 2017 Annual Budget included \$125,000 to install a new water main pipeline beneath the

roadway to supplement a substandard water main that currently serves Bayfront Park from beneath US-31 Highway. Placement of this water main will provide redundancy and reliability in the event there is an issue with the current highway crossing serving Bayfront Park's domestic and fire suppression needs. Detailed plans and specifications for the proposed project were prepared by Benchmark Engineering, Inc., Harbor Springs, and approved by the Michigan Department of Environmental Quality. Bid packets were available and advertised on November 21, 2016, 12 firms were notified and four were received and opened on December 14, 2016.

City Councilmember Lyman moved that, seconded by City Councilmember Marshall to authorize contracting with Tri-County Excavating, Inc., Harbor Springs, for the Bayfront Drive water main installation project in the amount of \$117,173.75.

Said motion was adopted by the following vote:

AYES: Marshall, Lyman, Dittmar, Wills, Murphy (5)

NAYS: None (0)

Resolution No. 19029 - Authorize

Director of Public Works Mike Robbins reviewed that the City's 2017 Annual Budget included \$385,000 to upgrade

Contract for Bear River East
Lift-Station Upgrades

the Bear River East lift-station along with associated upgrades to power supply systems for the lift-station and City Hall. The Bear River East lift-station, located north of City Hall adjacent to the bike path and Bear River, is nearly 45 years old and is in need of numerous upgrades. This lift-station, ranked number two in size, is considered a critical asset based on the amount of sewage flows that pass through on a daily basis. Flows associated with this station are primarily from areas east of the Bear River and north of Jennings Avenue including the entire Central Business District.

City staff along with its consultant Hubbell, Roth & Clark, Grand Rapids, evaluated the lift-station and determined that the station did not need to be totally reconstructed due to the integrity of two main in-ground structures. The manhole structure that houses pumps and controls and the wet-well chamber that holds sewage prior to pumping, were both found to be in sound condition. Components in need of replacement or upgrade include pumps, internal piping and valves, control systems, electric power systems, monitoring systems and back-up generation. In conjunction with the Bear River East lift-station project an onsite generator will be installed adjacent to City Hall's north wall, near the police garage, to provide for back-up power supply for the lift-station and all of City Hall facilities. Bid packets were advertised and available on November 21, 2016 and three bids were received and opened on December 14, 2016.

City Councilmember Wills moved that, seconded by City Councilmember Lyman to authorize contracting with Ballard's, Petoskey, for the Bear River East lift-station upgrades in the amount of \$383,812.

Said motion was adopted by the following vote:

AYES: Marshall, Lyman, Dittmar, Wills, Murphy (5)

NAYS: None (0)

Resolution No. 19030
Authorize Contract for Emmet
Street Improvement Project

The City Manager reviewed that the 2017 Annual Budget included \$1,420,000 for the reconstruction of Emmet Street from State Street to Washington Street. This project also includes reconstruction of Washington Street from Petoskey Street to Buckley Avenue and pavement rehabilitation which involves a "mill and fill" for a segment of Emmet Street between East Mitchell Street and State Street. Street improvements will follow certain utility upgrades and include street repaving, curb and gutter replacements and sidewalk modifications to enhance pedestrian and vehicular safety.

Utility upgrades include water main and valve replacement, water service line investigations and upgrades, sanitary sewer main and manhole structure replacement and replacement of storm sewer main and catch basin structures. Electric system upgrades include duct-bank installations for conversions from overhead to underground along with subgrade base materials, curb and gutter replacement, new concrete drive approaches and new sidewalks.

Design review for the project was performed by Beckett and Raeder, Inc., Ann Arbor and Petoskey, street layout along with water and sewer utility installations were designed by Benchmark Engineering, Inc., Harbor Springs, and electric work was designed by GRP Engineering, Grand Rapids and Petoskey. Bid packets were available on November 30, 2016, 19 firms were notified and 6 bids were opened on December 21, 2016.

City Councilmembers inquired on how much of the adjacent streets will be going to underground electric in conjunction with Emmet Street corridor project. Mr. Robbins responded that it is currently in the design process and will be determined once design is completed.

City Councilmember Wills moved that, seconded by City Councilmember Dittmar to authorize contracting with J&N Construction, Gaylord, for the Emmet Street improvements project in the amount of \$1,232,401.68.

Said motion was adopted by the following vote:

AYES: Marshall, Lyman, Dittmar, Wills, Murphy (5)

NAYS: None (0)

Resolution No. 19031
Authorize Janitorial Service Contract

The City Manager reviewed that the City contracts janitorial cleaning services for the Department of Public Works building on Sheridan Street and the Wastewater Treatment Plant on Lake Street. The contract is for a two-year period, with the City having the option to extend the contract for an additional two-year period upon mutual agreement between the City and the contractor.

Specifications were prepared by the Department of Parks and Recreation staff and called for cleaning the Sheridan Street facility five days per week and the Wastewater Treatment Plant facility three days per week. Bid packets were available and advertised on November 30, 2016, 21 firms were notified and two bids were opened on January 10, 2017.

City Councilmember Marshall moved that, seconded by City Councilmember Wills to authorize contracting with Proclean-North, Alanson, for janitorial cleaning services in the amount of \$53,862.60.

Said motion was adopted by the following vote:

AYES: Marshall, Lyman, Dittmar, Wills, Murphy (5)

NAYS: None (0)

Discuss Pennsylvania Park Restroom
Expansion/Renovation Project

The City Manager reviewed that during discussions in the development of the 2017 budget, City council considered whether to include monies for expansion and renovation of the Pennsylvania Park bathrooms that are connected to the Chamber of Commerce building. Estimated costs were not fully calculated at that time, so City and DMB agreed to revisit the project in early 2017.

The City Manager reviewed that the project is included in the 2018 CIP showing the City contributing \$47,500 from the General Fund, \$100,000 from the DMB's Parking Fund and a \$147,500 grant from the Land and Water Conservation Fund. The City Manager reviewed that as with all grants there are no guarantees that funding will be awarded. Additionally, if the City were to pursue grant funding, the project's start date would be no sooner than the Fall of 2018.

Rick Neumann, project architect, was present and gave a brief presentation on bathroom design.

The City Manager reviewed that total project costs in the CIP were estimated at \$295,000. Mr. Neumann's updated estimate is \$300,000 which was calculated in December of 2016.

The City Manager further reviewed that there is some support from members of City Council and DMB to complete the project in 2017 if both Boards can agree on how to fund the project; that if there is support from both Boards, the City's General Fund Reserves could be used for the City's portion; that the unrestricted General Fund Reserves at the end of 2016 is estimated to be \$3,008,000; that the DMB's portion would come from the Parking Fund, which are not restricted as to their use and could be earmarked for the project; that the Parking Fund Retained Earnings estimate for year-end 2016 is \$626,000; reviewed improvements such as increased stalls for both sides, new bathroom fixtures, possible water/sewer line replacement, utility relocates and site work in front of the new bathrooms; that architecture will be similar to the current Chamber building; and that to complete the drawings, bid and award the project, the improvements would not start until after Labor Day.

City Council was being asked to either proceed forward with bathroom expansion/renovation project in 2017 contingent upon DMB and City Council agreeing to share costs on a 50/50 ratio or direct City staff to develop a Land and Water Conservation Grant for bathroom improvements to begin in 2018.

City Councilmembers inquired if the City was on board with applying for grant and if received begin the project in 2018; concerns over future budgets with use of reserve funds; heard from those in favor of the project; heard concerns on finances; and that passing up potential grant opportunities would be unfortunate.

Mayor Murphy asked for public comments and heard that it would be unfavorable to pass on a potential grant opportunity.

City Councilmember Wills moved that, seconded by City Councilmember Lyman to complete project in 2017.

City Councilmember Marshall then moved that, seconded by City Councilmember Dittmar to table the motion and further discussion until the next meeting.

Said motion was adopted by the following vote:

AYES: Marshall, Lyman, Dittmar, Wills, Murphy (5)

NAYS: None (0)

Hear Council Comments

the last several meetings.

Mayor Murphy asked for Council comments and Councilmember Wills commented on the attendance of all the past Mayors in the audience and on the Council at

There being no further business to come before the City Council, this January 16, 2017, meeting of the City Council adjourned at 8:53 P.M.

John Murphy, Mayor

Alan Terry, City Clerk-Treasurer