



**CITY COUNCIL**

August 21, 2017

A regular meeting of the City of Petoskey City Council was held in the City Hall Council Chambers, Petoskey, Michigan, on Monday, August 21, 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, City Planner Amy Tweeten, Director of Public Works Michael Robbins, Downtown Director Becky Goodman and City Attorney James Murray.

Resolution No. 19090  
Approve Consent Agenda Items

Following introduction of the consent agenda for this meeting of August 21, 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 August 7, 2017 regular session City Council meeting be and are hereby approved with additional language under Council Comments; and

BE IT RESOLVED that receipt by the City Council of a report concerning all checks that had been issued since August 7 for contract and vendor claims at \$2,335,597.80, intergovernmental claims at \$822,990.95, and the August 10 payroll at \$210,944.90, for a total of \$3,369,533.65 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 reported the first asphalt application on Emmet Street should be completed by September 1, weather permitting; that Emmet Street should be open for traffic in time for Labor Day with substantial completion anticipated by mid-September; that DTE installed a new gas transmission main from Hill Street to Northmen Drive and will proceed west on south side of Grove Street; that the City was recently named the 15<sup>th</sup> safest city in Michigan by Safewise, a community-focused security organization committed to increasing education, awareness and preparedness in Michigan; reviewed the City Manager evaluation process with hopes to begin in September with final evaluation taking place in closed session on September 18; and that there have been discussions with Petoskey Harbor Springs Community Foundation representatives seeking grant funding to hire a consultant in the development of a sustainability plan for the City and overall project costs, possible grant funding and any cash match by the City will be discussed at the next meeting.

City Councilmembers inquired how contractor will be selected. The City Manager responded that an RFP will be drafted and sent out to consultants, approved by the lowest bid and that it will be for a general sustainability study, not focused only on energy.

Resolution No. 19091  
Confirm Appointments

Mayor Murphy reviewed that City Council consider possible reappointments to the Planning Commission. City Councilmember Marshall moved that, seconded by City Councilmember Lyman adoption of the following

resolution:

BE IT RESOLVED that the City Council does and hereby approves the reappointment of Betony Braddock, 622 Elizabeth Street, for a three-year term ending August 2020.

Said resolution was adopted by the following vote:

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

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

BE IT RESOLVED that the City Council does and hereby approves the reappointment of Richard Neumann, 620 Grand Avenue, for a three-year term ending August 2020.

Said resolution was adopted by the following vote:

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

First Reading of an Ordinance  
Amending Appendix A of the  
Zoning Ordinance

The City Planner reviewed that at the August 7 meeting, City Council requested a revision to the ordinance to make boarding houses with shared driveways a special condition use in the RM-2, B-2A and B-2B District, excluding these parcels from receiving a boarding house

license. All other proposed amendments remained the same.

City Councilmembers inquired if there were any setbacks for residential care and treatment facilities and if there was any feedback on boarding houses. The City Planner responded that residential care and treatment facilities follow setbacks of the districts they are in and that there was no public feedback to the proposed ordinance.

City Council will conduct a second reading and possible adoption at their September 18 meeting.

Resolution No. 19092 – Approve Non-Binding Letter of Intent to Extend Jackson Street for McLaren Hospital Expansion Project

The City Manager reviewed that staff and hospital officials have been working on an agreement regarding extension of Jackson Street to serve the future west parking lot as well as a new ingress and egress point for hospital campus facilities from Charlevoix Avenue. The Letter of Intent is non-binding and serves to fully describe

the City's and Hospital's responsibilities. The Letter would allow the hospital to complete the Jackson Street extension this year in order to start construction on the South Tower expansion in 2018. The City Manager further reviewed the three segments: Segment A is the current city street to be repaved by the City in 2020; Segment B is the remainder of City owned Jackson Street in which the hospital will complete this portion in 2017; and Segment C is the new extension of Jackson St through the hospital campus to be paid for by hospital and deeded to the City, which also includes replacement of existing water main.

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

WHEREAS, McLaren Northern Michigan ("McLaren") is currently conducting an expansion of its hospital in Petoskey and in connection with such expansion has requested the City of Petoskey extend the current Jackson Street and relocate its access to Charlevoix Avenue over property owned by McLaren; and

WHEREAS, McLaren is willing to assume the costs associated with the expenses of extending Jackson Street; and

WHEREAS, McLaren and City staff have worked on the terms and conditions of a non-binding Letter of Intent dated August 18, 2017 to illustrate the proposed extension into what are described as Segments; Segment A, Segment B and Segment C ("Letter of Intent"); and

WHEREAS, the Letter of Intent being non-binding on the Hospital and the City was signed by McLaren and the City Manager; and

WHEREAS, the City Council has a desire to generally confirm the non-binding terms and conditions of the Letter of Intent and to proceed as outlined therein:

NOW THEREFORE BE IT RESOLVED, the City Council hereby confirms the non-binding terms and conditions of the Letter of Intent dated August 18, 2017, by and between McLaren Northern Michigan and the City of Petoskey ("Letter of Intent") and the City Council hereby authorizes the City Manager and City Attorney to negotiate the terms and conditions of a Definitive Agreement pursuant to the general terms outlined in the Letter of Intent.

Said resolution was adopted by the following vote:

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

NAYS: None (0)

Discuss 2018-2023 Capital Improvements Plan

The City Manager reviewed that copies of the proposed 2018-2023 CIP were distributed to City Council and Planning Commission in advance of this meeting. The Plan was unanimously accepted and recommended for

City Council approval by the Planning Commission on August 17, 2017.

The City Manager reported that the proposed 2018-2023 CIP totals \$32.9M, with capital spending in 2018 proposed at \$5.028M, with approximately 36% coming from grants and other outside sources of revenue; reviewed PASER ratings and compared 2013 to 2017 ratings noting the poor streets were less in number; reviewed major projects in 2018 including downtown paving and spot repairs, intersection and crosswalk improvements on Petoskey Street, East Lake Street and Bay Street; West Lake Street improvements from Ingalls to Magnus Park including replacement of a 10" water line and narrowing curb lines from Solanus Mission west to Magnus Park to accommodate a 10' wide bike bath and street resurfacing; miscellaneous pavement paving and repair as well as ADA compliant ramps installed on Sheridan Street, Emmet Street and Bayfront Drive; Bridge Street Bridge repair work; sidewalk and crosswalk spot repairs on Michigan and State Streets near elementary schools; various electrical system upgrades through Bay View and on Emmet/Maple/Porter/Cherry/Spencer Streets; street lighting LED conversions; parking deck engineering/design for City/County Lot at Division and Lake Street intersection (place holder contingent on viable plan); Phase II of the Greenway Corridor Construction from Mitchell Street to Emmet Street; Bayfront Stair Tower replacement using TIFA dollars; and marina deck improvements on Pier D and part of Pier B.

The City Manager further reviewed 2019-2023 projects and discussed funding sources for those projects. He also reported funding issues with restrictions due to Headlee; and that most of these infrastructure needs exist today, or have already been deferred in recent years as a result of declining revenues.

City Councilmembers commented that the Property Tax Administration Fee should be discussed separately at a future meeting; that no parking deck engineering should happen unless Emmet County agrees to project; heard inquiries if some parkland could be wild; if sustainability study could help point out inefficiencies; discussed East Lake Street and Kalamazoo reconstruction and why project will take so long; if City staff and County officials will discuss parking garage in September as a possible joint project; that Property Tax Administration Fee is a tax on tax; and that it is challenging times for constituents as well.

Mayor Murphy asked for public comments and heard a comment that the CIP is a proactive plan and the City and staff should be commended for their efforts.

City Councilmembers further discussed the Property Tax Administration Fee and a majority of the Council agreed to put on a future agenda.

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

Resolution No. 19093 - Name Municipal League Annual Meeting Representatives The City Manager reported that at the request of the Michigan Municipal League, the City Council was being asked to adopt a proposed resolution that would confirm the City Council's appointment of an official voting representative and an alternate representative, one of whom would be seated at the annual business meeting of the Municipal League that would be conducted September 13, in conjunction with the League's 2017 Convention September 13-15, which will be held in Holland. There has been interest from Mayor John Murphy and Councilmember Izzy Lyman to attend this year's convention.

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

BE IT RESOLVED that the City of Petoskey City Council does and hereby selects Mayor John Murphy as the City's voting representative for the annual business meeting of the Michigan Municipal League that has been scheduled for Wednesday, September 13, 2017, in Holland; and

BE IT FURTHER RESOVLED that the City Council does and hereby selects Councilmember Izzy Lyman as the City's alternate representative to serve in the absence of the voting representative at said annual meeting.

Said resolution was adopted by the following vote:

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

Hear Council Comments Mayor Murphy asked for Council comments and Councilmember Wills commented that he saw a patient that specifically comes to Petoskey to ride the wheelway which helps to show how important the Wheelway is to the City's visitors; and that the trees are overgrowing and we're losing view sheds of the bay along Bayfront Park.

There being no further business to come before the City Council, this August 21, 2017, meeting of the City Council adjourned at 8:35 P.M.

John Murphy, Mayor

Alan Terry, City Clerk-Treasurer