



CITY COUNCIL

March 5, 2018

A regular meeting of the City of Petoskey City Council was held in the City Hall Council Chambers, Petoskey, Michigan, on Monday, March 5, 2018. 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, Parks and Recreation Director Kendall Klingelsmith, Public Safety Director Matthew Breed, Library Director Val Meyerson and Downtown Director Becky Goodman.

Hear Department of Public Safety Honor's Board Presentation

The Department of Public Safety Honor's Board recently authorized awards to Officers, Emmet EMS staff and citizens for meritorious service. Director Breed presented awards to the recipients for commendable service throughout the community including lifesaving awards, citizen awards and Public Safety citation awards.

Hear District Library Presentation

District Library Director Val Meyerson made a brief presentation concerning the Petoskey District Library and reviewed 2017 operations. She reviewed library layout changes; that landscaping had been cleaned up at the Carnegie Building; that the library now had electronic door openers; that meeting room usage had increased; that 640 programs were offered last year; that Wi-Fi hot spots are available for users to take home; that a repair café program is offered; and that there are four townships and one city that participate in the library.

Consent Agenda - Resolution No. 19157

Following introduction of the consent agenda for this meeting of March 5, 2018, City Councilmember Marshall moved that, seconded by City Councilmember Dittmar adoption of the following resolution:

BE IT RESOLVED that the City Council does and hereby confirms that the draft minutes of the February 19, 2018 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 February 19, for contract and vendor claims at \$629,575.58, intergovernmental claims at \$0, and the February 22 payroll at \$195,419.36, for a total of \$824,994.94 be and is hereby acknowledged.

Said resolution was adopted by the following vote:

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

NAYS: None (0)

Public Comment

Mayor Murphy asked for public comments and heard a complaint from Joe Clark, owner of Glass Lakes Photography, 324 East Lake Street, concerning Ernesto's Cigar Lounge and Bar, 321 Reid's Alley, Unit 1, and that no action is being taken by any agency. Mr. Clark commented that he has issues in regards to the smoke smell; believes the business is in violation of State law and should lose their redevelopment liquor license; and that he has sensitive equipment that could be ruined by the lack of ventilation.

Mayor Murphy responded that the City Manager spoke with Mr. Clark a few months ago and that the walls should be improved to help with the smell and ventilation issues. Mr. Clark was to receive quotes from potential contractors, provide them to the City Manager and the City Manager would work with Mr. Tribble, owner of Ernesto's Cigar Lounge and Bar in participating with covering the costs of the project.

The City Manager reviewed the issue and his communications with Mr. Clark from a few months ago; that the ventilation system is on and working when customers are at the cigar bar; that County and State agencies found no violations at the business; and reviewed his recommendation to Mr. Clark that the storage room be finished with both parties paying for cost and hasn't heard from Mr. Clark until tonight.

City Manager Updates

The City Manager reported that a Green Infrastructure Grant was approved which City Council supported in August of 2017 with workshops to be scheduled; that according to State legislation, beginning April 20, 2018 each electric utility provider is required to offer its customers a voluntary green pricing program; that in early April the City should have a link on the website for program sign-up which the City anticipates renewable energy costs will be established at \$0.01 per kilowatt hour; that staff has been working with MDOT on the 2019 US-31 highway realignment project and that there will be a Council presentation in April or May and an opportunity for the community to attend a public meeting at the college to review plans and give comment; that the auditors will be present next week to begin the City's annual audit; that there is a ZBA meeting tomorrow night which the Board will be discussing a request for height and unit density variances for converting an existing church at 502 Michigan Street into 6 residential units and discussion on temporary food trucks at 425 Michigan Street; and that the Planning Commission has setup a sub-committee to look at possible regulations pertaining to mobile food vending operations and that a draft ordinance will be discussed at the next Planning Commission meeting with Council approval thereafter.

City Councilmembers inquired if there will be an educational component for voluntary green pricing program; inquired where the power will come from; that workshops pertaining to the green infrastructure grant should be held in the evening so more citizens can attend; and inquires on what is happening with the church on Michigan Street and that the existing structure is changing so new compliance regulations should be met. The City Manager responded that power will come through MPPA who will contact with producers of renewable energy and he will inform City Council when the Green workshop schedule is set.

Discuss Ordinance Amendments Concerning Redevelopment Liquor License Program

The City Manager reported that this was a first reading of a proposed ordinance; that the DMB reviewed and recommended changes to Ordinance 727; and that the City Attorney also reviewed recommended changes. The City Manager further reviewed the differences between 1(a) and 1(b) licenses; that inquiries arose about redevelopment liquor licenses when a downtown business for the second year petitioned the LCC to escrow their license on a temporary basis; that the LCC does not allow a business with a liquor license to close for more than 30 days, but will grant an escrow of a license if it complies with State regulations; and that the LCC does not take into account any local ordinances and regulations when deciding on whether to place a liquor license in escrow.

The City Manager reviewed the DMB's recommended amendments including more accurately describing the most recent State statutes for redevelopment liquor licenses; adding that the ordinance applies retroactively to all existing redevelopment liquor licenses; added language in Section 4-2 to create more consistency between local ordinance and State statutes; added recreation and entertainment as well as entities in Section 4-3; that businesses shall not have bar seating for more than 6 persons be eliminated; remove provisions in Section 4-3 and add language stating hours of operation shall be consistent with State of Michigan laws; and to increase maximum number of redevelopment liquor licenses from 6 to 10.

City Councilmembers commented on purpose of eliminating hours; that supply and demand should dictate number of successful restaurants; and discussed process on finding available licenses in Emmet County.

Mayor Murphy asked for public comments and heard a comment that our community can have a lot of licenses based on the law and investments in the downtown.

City Councilmembers deferred action since it was the first reading of the proposed ordinance.

Authorize Motor Pool Plow Truck Purchase - Resolution No. 19158

The City Manager reviewed that the 2018 Annual Budget and Capital Improvements Plan included \$260,000 for the purchase of a heavy-duty 4x4 truck with chassis to accommodate a salt spreader unit, underbody scraper blade and front-mounted plow hitch. This unit will replace a 2000 4x4 heavy-duty truck with approximately 62,000 miles/5600 hours that is equipped with similar attachments which will be retired and sold at auction.

City Councilmember Wills moved that, seconded by City Councilmember Lyman to authorize contracting with Truck and Trailer Specialties, Boyne Falls, through the Mi-Deal Program for the purchase and installation of plow attachments and salt spreader components, for the amount of \$71,884 and authorize purchase from Grand Traverse Diesel Service, Inc., Traverse City, for a heavy duty 4x4 truck cab and chassis for the amount of \$158,500, for a combined cost of \$230,384.

Said motion was adopted by the following vote:

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

NAYS: None (0)

Approve MDNR Contract for Use of Marina Central Reservation System - Resolution No. 19159

The City Manager reviewed that the City Marina has used the MDNR Central Reservation System for many years; that it provides stability for staff and boaters when reserving slips; and that this request was an extension of the existing contract.

City Councilmember Marshall moved that, seconded by City Councilmember Wills to authorize the City Manager to execute the contract with the MDNR, Parks and Recreation Division, to continue using the Central Reservation System for the City Marina.

Said motion was adopted by the following vote:

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

NAYS: None (0)

Approve MDNR Waterways Infrastructure Grant Application for Marina Pier B Electrical Upgrades – Resolution No. 19160

The Parks and Recreation Director reviewed that in 2017, a MDNR Waterways Infrastructure Grant was received and approved by City Council; that the proposed work will commence after the 2018 season; that the grant was for electrical upgrades to Piers A, C and D to bring the electrical systems on the dock into compliance with existing National Electrical Code requirements; and that Pier B was not included in the grant application.

The Parks and Recreation Director further reviewed that the City has an approved project agreement with the MDNR for electrical upgrades to Piers A, C and D and to include Pier B as part of the agreement would insure the City capture 100% of the funds earmarked for the grant, to incorporate Pier B pedestal upgrades; reviewed grant application and program to help defray the cost of the Pier B project which is \$70,700; that the grant will fund 50% of the project, which is \$35,350; and that the City would utilize Marina Reserve Funds to match project costs.

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

WHEREAS, the City of Petoskey City Council hereby recognizes the need to keep the Petoskey Municipal Marina and its infrastructure a safe, functional facility and has identified the need to upgrade the pedestals on Pier B to match those on Piers A, C and D; and

WHEREAS, the Michigan Department of Natural Resources is accepting Waterways Grant Program applications for marina infrastructure improvement projects that include electrical upgrades and improvements; and

WHEREAS, the City of Petoskey Parks and Recreation Commission has reviewed the proposed \$35,350 Waterways Grant Program application request for pedestal upgrades on Pier B at the Petoskey Marina, conducted a public hearing on the proposed \$70,700 project; and

WHEREAS, the City of Petoskey Parks and Recreation Commission supports the proposed grant application and requests that City Council consider authorizing the submission of the Waterways Grant application to the Michigan Department of Natural Resources for \$35,350, agree to provide a 50% of the grant match of \$35,350, and designate the City Manager or his designee as project representatives:

NOW, THEREFORE, BE IT RESOLVED, that the City of Petoskey City Council does and hereby confirms its intent to submit to the Michigan Department of Natural Resources, a Waterways Grant Program application in the amount of \$35,350 to upgrade the pedestals of Pier B at the Petoskey Municipal Marina and further commits to provide a 50% grant match (\$35,350) toward the project; and

BE IT FURTHER RESOLVED, that the City of Petoskey City Council does hereby confirms its intent to authorize the City Manager, or his designee, to serve as the City of Petoskey's representative for the Waterways Grant Program for the marina electrical upgrade project.

Said resolution was adopted by the following vote:

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

NAYS: None (0)

Approve Agreement Addendum for Marina Electrical Upgrades – Resolution No. 19161

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

RESOLVED, that the City of Petoskey, Emmet County, Michigan does hereby accept the terms of the Agreement Addendum as received from the Michigan Department of Natural Resources, and the City does hereby specifically agree, but not by way of limitation, as follows:

1. To appropriate the sum of Ninety-nine Thousand Four Hundred Fifteen dollars (\$99,415.00), to which the grant authorized by the Department.

2. To maintain satisfactory financial accounts, documents, and records, and to make them available to the Department for auditing at reasonable times.
3. To construct the facility improvements and provide such funds, services, and materials as may be necessary to satisfy terms of the said Agreement Addendum.
4. To insure that all premises, buildings, and equipment related procedures comply with all applicable State and Federal regulations.
5. To comply with any and all terms of the said Agreement Addendum including all terms not specifically set forth in the foregoing portions of the Resolution.

Said resolution was adopted by the following vote:

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

NAYS: None (0)

Approve Natural Resources Trust Fund Grant Application for Iron Belle Trail, Bear River Bridge - Resolution No. 19162

The Parks and Recreation Director reviewed that staff was preparing a Michigan Department of Natural Resources Trust Fund grant application for the development of the Iron Belle Trail, Bear River Bridge; that the bridge will connect the North Country Trail on the east side of the Bear River at North Central Michigan College and the west side at the River Road Sports Complex; that the project has appeared in the last two Parks and Recreation Master Plans; that there are extensive fund raising efforts being made by the North Country Trail Association that will be used as matching funds; and that the final amount to be requested from the State will be determined prior to the grant supplemental period in September, but will not exceed \$83,000. The Parks and Recreation Director further reviewed that the Parks and Recreation Commission held a public hearing on February 12, 2018 to receive public comments and adopted a resolution supporting the project and recommended to City Council for approval.

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

WHEREAS, the City of Petoskey Parks and Recreation Commission desires to enhance recreational and non-motorized trail opportunities within its Iron Belle Trail Bear River Bridge; and

WHEREAS, this Iron Belle Trail Bear River Bridge would include an accessible bridge, boardwalk, and site work at an estimated project cost of \$166,000; and

WHEREAS, the Iron Belle Trail Bear River Bridge contributes to the goals and objectives identified in the 2013-2017 and 2018-2022 City of Petoskey's Parks and Recreation Master Plan, outlining the need and the desire to develop this linear park system; and

WHEREAS, the State of Michigan Department of Natural Resources is accepting applications for funding assistance through the Michigan Natural Resources Trust Fund for park development projects contributing to the goals and objectives identified within the municipality's approved Parks and Recreation Master Plan; and

WHEREAS, the City of Petoskey Parks and Recreation Commission supports the development of the Iron Belle Trail Bear River Bridge and recommends that the Petoskey City Council resolve to sponsor a Michigan Natural Resources Trust Fund Application for this project and commit to undertake this project, if funded, and commit to the project match and authorize Robert Straebel, City Manager, or his designee to serve as the City's representative for this project; and

WHEREAS, further request that the City Council consider committing up to 50% local match, that being \$83,000, toward these improvements which are estimated at \$166,000; and

NOW, THEREFORE, BE IT RESOLVED, that the City of Petoskey Parks and Recreation Commission, acting as appointed officials, request that the City of Petoskey City Council adopt a resolution to authorize Robert Straebel, City Manager, or his designee to serve as the City's representative for this project, authorize the submission of the application and request that Michigan Department of Natural Resources Trust Fund Board consider approval of the grant application for the Iron Belle Trail Bear River Bridge project and provide grant funding in the amount of \$83,000.

Said resolution was adopted by the following vote:

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

NAYS: None (0)

Council Comments

Mayor Murphy asked for Council comments and City Councilmember Lyman inquired if a sign directing owners to pickup their pet's waste could be installed on Northmen Court due to an excessive amount of pet waste showing up with the snow melting and that the pickle ball tournament at the college went well. City Councilmember Wills commented that there is a lot of pet waste going into water runoff this time of year.

There being no further business to come before the City Council, this March 5, 2018, meeting of the City Council adjourned at 8:40 P.M.

John Murphy, Mayor

Alan Terry, City Clerk-Treasurer