



CITY COUNCIL

January 7, 2019

A regular meeting of the City of Petoskey City Council was held in the City Hall Council Chambers, Petoskey, Michigan, on Monday, January 7, 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, as part of the City Council's annual organizational meeting, the City Clerk-Treasurer administered oaths of office to Mayor-elect John Murphy, and City Councilmembers-elect Suzanne Shumway and Lindsey Walker, following their elections to the City Council at the General Election of November 6, 2018. 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, Public Safety Director Matthew Breed and Downtown Director Becky Goodman.

Consent Agenda - Resolution No. 19251

Following introduction of the consent agenda for this meeting of January 7, 2019, 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 December 17, 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 December 17, for contract and vendor claims at \$1,645,270.27 intergovernmental claims at \$11,648.81, and the December 27 payroll at \$187,377.94, for a total of \$1,844,297.02 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 comments from those in favor and against parking rate increases; that a downtown employee started a petition with change.org and obtained 1500+ signatures opposing the rate increases; that Roast & Toast staff felt the City is catering to affluent customers; heard a comment that there needs to be transparency between staff and the boards involved; heard from citizens thanking the two new Councilmembers for their service to Petoskey; heard concerns about plowing on Rose Street and that it doesn't work for businesses in that area; that with the rate increases there are no new services; that during the summer, visitors have to be told not to park in curb cut area; that a business owner never received notices about the parking increases as a business in downtown; heard a comment that the City discussed and voted on building a parking deck in 1974 and it was never constructed and heard concerns that the additional revenues won't go towards a parking deck; that there should be free parking on slower streets in the off season; heard from the DMB Chair and he reviewed DMB activities, the process and the reasoning behind parking increases; and heard comments that food service jobs don't make a lot of money and people prefer to live downtown, but wages are low and rent is high.

City Councilmembers asked questions of the petitioner; discussed parking permits; reported on the process; heard from those in favor of increases and that staff, DMB and City Council could review increased revenue in a year; that DMB could look at lowering rates during off-season; and that plans are in place to use the funds for a parking deck.

The Downtown Director reviewed parking needs, where the money will go and that not all funds will go towards a parking deck.

There was an additional public comment on the City's position concerning both recreational marijuana and medical marijuana.

Mayor Murphy reported that the City Attorney advised to not opt in or out of recreational marijuana at this time.

The City Manager reported that the City did not opt in for medical marijuana.

Hear City Manager Updates

The City Manager reviewed that the Parks and Recreation Commission is holding two public hearings on January 14 to solicit input on initial conceptual plans for Solanus Beach and the proposed pickle ball courts at Riverbend Park; that Jason Fate was recently hired as the new Construction Supervisor and is a civil engineer with a professional engineering license and begins employment with the City on January 14; that the Parks and Recreation 18-year old snowmobile blew an engine last week and estimated costs of the new snowmobile is just under \$10,000, and wanted to notify Council of the unanticipated expense; that a request for \$6,000 in grant funding has been submitted to the community foundations of Charlevoix, Grand Traverse and Petoskey Harbor Springs to assist the City in incorporating resiliency/sustainability measures in all aspects of the City's Master Plan which is being updated in 2019 with public involvement as a critical component; that 2018 employee evaluations are ongoing; that due to the government shutdown, the Energy Star Portfolio website is down and staff is not allowed to input data into the system; reviewed downtown bathroom upgrades and project status; and that additional signage at the north and south entrance to Bayfront Tunnel has been installed to direct pedestrians to use the ramp during the winter months.

Councilmembers inquired if the snowmobile pulls the apparatus that grooms the cross country trails and discussed grooming at Winter Sports Park and River Road Complex.

Elect Mayor Protempore - Resolution No. 19252

Mayor Murphy reported that, as required by City Charter provisions, the City Council was being asked to elect from its members a Mayor Protempore who would serve in the absence of incapacity of the Mayor, and then requested nominations for this position. City Councilmember Marshall then nominated, supported by City Councilmember Walker, that City Councilmember Dittmar be appointed as Mayor Protempore and that the following resolution be adopted:

BE IT RESOLVED that the City Council does and hereby approves the appointment of City Councilmember Grant Dittmar as Mayor Protempore to the City Council for 2019.

Said resolution was adopted by the following vote:

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

Parks and Recreation Commission Appointments – Resolution No. 19253-19255

Mayor Murphy reviewed that City Council consider possible reappointments to the Parks and Recreation Commission.

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 Michael Morey, 700 Grand Avenue, to the Parks and Recreation Commission for a two-year term ending January 2021.

Said resolution was adopted by the following vote:

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

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

BE IT RESOLVED that the City Council does and hereby approves the reappointment of Kenneth Turk, 506 Morgan Street, to the Parks and Recreation Commission for a two-year term ending January 2021.

Said resolution was adopted by the following vote:

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

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

BE IT RESOLVED that the City Council does and hereby approves the reappointment of Sharon Walker, 421 Wachtel Avenue, to the Parks and Recreation Commission for a two-year term ending January 2021.

Said resolution was adopted by the following vote:

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

Conduct Public Hearing and Adopt Ordinance 766 Rezoning 200 East Lake Street Property to Central Business District – Resolution No. 19256

The City Manager reviewed that at its November 5, 2018 meeting, City Council initiated the process of rezoning the 200 East Lake Street property to B-2 Central Business District as a result of a Final Judgement being entered by the Emmet County Circuit Court in the lawsuit between the City and LCA Enterprises, LLC, which terminated the Development Agreement and PUD Agreement for the Petoskey Pointe Project. City Council held a first reading of the proposed ordinance and scheduled a public hearing at the December 17, 2018 meeting.

The public hearing was opened at 8:15 P.M.

A citizen inquired why there was currently no zoning on the property. Mayor Murphy explained history of the property and PUD that was terminated.

The public hearing closed at 8:18 P.M.

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

AN ORDINANCE TO AMEND THE ZONING DISTRICT MAP OF THE CITY OF PETOSKEY AS SET FORTH IN ORDINANCE NO. 451, THE ZONING ORDINANCE OF THE CITY OF PETOSKEY, TO RE-ZONE SPECIFIC PROPERTY TO B2 CENTRAL BUSINESS DISTRICT.

WHEREAS, the City of Petoskey Master Plan has a goal of maintaining and enhancing downtown Petoskey as the regional economic and cultural center of the community; and

WHEREAS, the character of Downtown Petoskey as a dense, mixed-use district is essential to its success at meeting this goal; and

WHEREAS, the Central Business District has standards to ensure that future redevelopment is compatible with the form and character of existing structures and uses that are dense and mixed-use; and

WHEREAS, the subject property is at the gateway to Downtown Petoskey; and

WHEREAS, the subject property had been rezoned to Planned Unit Development PUD subject to the provisions of a PUD Agreement through Ordinance 692; and

WHEREAS, the PUD Agreement was terminated by the Circuit Court for the County in Case No. 18-106248-CK, pursuant to its Final Judgement dated October 25, 2018; and

WHEREAS, rezoning this property to B-2 Central Business District at this time will ensure that its redevelopment will enhance Downtown Petoskey as the regional economic and cultural center of the community; and

WHEREAS, the Petoskey Planning Commission held a public hearing on the rezoning December 13, 2018 and recommends to City Council that the Zoning District Map be amended to add the subject property to the B-2 Central Business District:

NOW THEREFORE, the City of Petoskey ordains:

1. The Zoning District Map of the City of Petoskey shall be, and the same hereby is, amended in order that the following described property be shown as located in the B-2 Central Business District and the Zoning classification hereafter for said property shall be B-2 Central Business. The property hereby re-zoned is described as follows:

Property located in the City of Petoskey, County of Emmet, State of Michigan, to-wit:

All of Lots 1, 2, 3, 4, 5, 6, 7 and 8 of Block 2, Ignatius & Lewis Petoskey's Addition to the Village of Petoskey City recorded in Liber 1, Page 2, AND all of Lots 1, 2, 3, 4, and that part of Lots 5 and 6 lying Southeasterly of U.S. 31 Highway as monumented, of Block 1, Ignatius Petoskey's Addition to the Village of Petoskey City Recorded in Liber 1, Page 7, Emmet County, Michigan, and the alley between Block 1 of Ignatius Petoskey's Addition and Block 2 of Ignatius & Lewis Petoskey's Addition, as vacated in Resolution recorded in Liber 1083, Page 976, Emmet County Records, all being more particularly described as follows:

Beginning at the southwest corner of Lot 1, Block 1, Ignatius Petoskey's Addition to the Village of Petoskey City; thence along the West line of said Block 1 North 00°26'45" East, 193.37 feet to the easterly right-of-way of Highway U.S. 31 as monumented; thence along said easterly right-of-way North 34°03'47" East, 111.36 feet to the north line of said Block 1, thence along said north line of Block 1 and said Block 2 of Ignatius & Lewis Petoskey's Addition to the Village of Petoskey City South 89°20'48" East, 269.10 feet to the northeast corner of said Lot 4, Block 2; thence along the East line of said Block 2 and the East line of said Petoskey Street Commons Condominium, now terminated in Liber 1083, Page 977, Emmet County Records, South 00°33'06" West, 285.91 feet to the Southeast corner of said Lot 5, Block 2; thence along the South line of said Block 2 of Ignatius and Lewis Petoskey's Addition and said Block 1 of Ignatius Petoskey's Addition to the Village of Petoskey City North 89°25'06" West, 330.22 feet to the Point of Beginning.

2. The various parts, sections and clauses of this Ordinance are hereby declared to be severable. If any part, sentence, paragraph, section, or clause is adjudged unconstitutional or invalid by a court of competent jurisdiction, the remainder of the Ordinance shall not be affected thereby.
3. This Ordinance shall take effect fifteen (15) days following its enactment and shall be published once within seven (7) days after its enactment as provided by Charter.

Said ordinance was adopted by the following vote:

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

NAYS: None (0)

Approve Purchases of Rescue Pumpers – Resolution No. 19257

The Public Safety Director reviewed that the five-year Public Safety millage approved in 2016 has thus far resulted in the purchase of a 100-foot ladder truck and will provide an estimated additional \$845,105 in revenue. Staff developed a proposed agreement with the Sutphen Corporation in an attempt to be as financially responsible as possible. Staff would like to replace the first run engines in both fire stations. Director Breed reviewed the costs of the two rescue pumpers; that Sutphen Corporation agreed to extend a "Demo" discount to the City of Petoskey resulting in a savings of \$49,275 per rescue pumper; that the pumpers will be built to the City's specifications and used by Sutphen for a few months; that Sutphen also agreed to purchase the City's two current first run engines for \$80,000 apiece, along with purchasing the 1984 engine for \$3,000; and that the cost of the engines will be covered by the remaining millage along with an estimated \$12,500 from Motor Pool. Director Breed further reviewed that it is estimated to take approximately one year to build the new trucks, therefore the City of Petoskey will take delivery of the trucks in the year 2020; that the two new rescue pumpers would not need to be replaced until the year 2044; and that the warranty for each truck is the same as a brand new truck.

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

WHEREAS, the City of Petoskey provides fire protection services for all lands within the City of Petoskey; and

WHEREAS, the City has determined that specific fire-fighting apparatus and other related fire-fighting equipment have operational and maintenance issues and are in need of replacement; and

WHEREAS the City of Petoskey voters approved a five-year public safety millage beginning in 2016 through 2020 to fund the purchase of a 100-foot ladder truck; and

WHEREAS, the loan will be repaid in full with 2018 taxes completely collected by April 2019 with an estimated additional \$845,105 in revenue; and

WHEREAS, City staff is financially responsible and developed a plan that would replace two first response rescue engines; and

WHEREAS, the NFPA guidelines recommend first run engines have a maximum life of 20 years and when engines reach 15 years of age their trade-in value significantly decreases; and

WHEREAS, City staff recommends purchasing and ordering two new rescue pumpers in early 2019 for delivery in 2020; and

WHEREAS, each rescue pumper purchase price is \$559,566 for a total of \$1,119,132; and

WHEREAS, the Sutphen Corporation has agreed to provide the City with a demo discount, trade-in of current apparatus and build two rescue pumper trucks to the City of Petoskey's specifications, but used as demo's by Sutphen for a few months:

NOW, THEREFORE, BE IT RESOLVED that the City of Petoskey City Council authorizes to contract with Sutphen Corporation for a demo discount, trade-in of current apparatus and the purchase of two fire rescue engines in the amount of \$1,119,132 and to begin building the trucks to be used as demos with final delivery to the City in 2020.

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 City Councilmember Marshall reported that the Winter Sports Park is open weather permitting. City Councilmember Shumway, Dittmar and Walker all commented that tonight was a great turnout and appreciated participation at tonight's meeting. Mayor Murphy thanked the citizens in the audience for attending the first meeting of the year.

There being no further business to come before the City Council, this January 7, 2019, meeting of the City Council adjourned at 8:30 P.M.

John Murphy, Mayor

Alan Terry, Clerk-Treasurer