



CITY COUNCIL

May 18, 2015

A regular meeting of the City of Petoskey City Council was held in the City Hall Council Chambers, Petoskey, Michigan, on Monday, May 18, 2015. 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: William Fraser, Mayor  
Kate Marshall, City Councilmember  
Grant Dittmar, City Councilmember  
Jeremy Wills, City Councilmember

Absent: John Murphy, City Councilmember

Also in attendance were City Manager Robert Straebel and Clerk-Treasurer Alan Terry.

Resolution No. 18874  
Approve Consent Agenda Items

Following introduction of the consent agenda for this meeting of May 18, 2015, 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 May 4, 2015 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 May 4 for contract and vendor claims at \$654,636.52, intergovernmental claims at \$273,367.64, and the May 7 payroll at \$173,456.73, for a total of \$1,101,460.89 be and is hereby acknowledged.

Said resolution was adopted by the following vote:

AYES: Marshall, Dittmar, Wills, Fraser (4)

NAYS: None (0)

Hear Public Comment

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

Hear City Manager Updates

The City Manager reviewed that the US-31 MDOT construction project was on schedule; that there will be a presentation on 200 East Lake Street property at the June 1 City Council meeting; reported on the Emmet Street visioning project sessions and a meeting with representatives from Bay Harbor; that Payne & Dolan is currently completing the paving for various City streets; and that the spring rubbish cleanup begins this week.

Resolution No. 18875 – Establish  
2015 Tax Millage Rates

The Director of Finance reviewed the proposed 2015 millage rates and tax revenue. City Council approved the 2015 annual budget at their December 1, 2014, meeting that included a provision for property-tax millage rates to remain the same as in 2014. The City Council was now being asked to formally establish the millage rates necessary to provide the budgeted property-tax revenue approved in the 2015 Annual Budget for the General Fund, Library Fund and Right-of-Way Fund.

Millage rates are authorized by State law, City Charter, and voter approval. The total of all four City millages is 19 mills, with the City Charter setting the general-operating millage at ten mills and the right-of-way millage at five mills. State law allows up to two mills for solid-waste programs and one mill for library purposes, and a second mill with voter approval, with all rates subject to rollback by the "Headlee Amendment".

The 2015 Annual Budget estimated property-tax revenues based on the same millage rates established several years ago and an increased taxable value projected at 3.05% higher than 2014, or \$467,478,067. The actual taxable value for 2015 has now been set at \$467,708,149, or 3.1% higher than 2014, for a difference of \$14,102,938.

While the actual increase in taxable value is very close to the estimated taxable value, the State inflation rate is only 1.6%, which is less than the actual increase of 3.1%. The lower rate of inflation requires City millage rates to be rolled back, resulting in the City only realizing an increase of 1.6% in revenue instead of 3.1%. This is a major limiting factor in the City restoring the 20% in lost taxable values experiences over the three year period of 2010 through 2012.

The 2015 taxable value amount includes some smaller personal property parcels that are eligible for exemption under a new law that exempts personal property parcels with a taxable value of less than \$40,000. However, the owner is required to formally submit a form stating the parcel is exempt to the City Assessor's Office. These smaller personal property taxable values have not been taken into account in tax revenue projections, although they may become exempt, either prior to tax bills being issued or through subsequent appeals to the Board of Review.

Property tax revenue budgeted for 2015 includes \$3,356,300 for the General Fund, consisting of \$3,155,200 for general-operating purposes and \$201,100 for solid-waste programs, which will now total \$3,138,200 and \$201,000, respectively. The Library Fund budgeted amount of \$759,800 will now total \$756,300 for the combined voter-approved and Council-approved millage rates. The Right-of-Way Fund budgeted tax revenues of \$1,586,900 will now total \$1,592,800.

A schedule of property tax revenue that will be collected for each fund based on millage rates included in the approved 2015 Annual Budget at the taxable value now established for this year less exempt small personal property parcels of \$467,708,149.

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

WHEREAS, as required by City Charter provisions, the City Manager on November 3, 2014, presented to the City Council the City's proposed annual budget for the 2015 fiscal year; and

WHEREAS, as also required by City Charter provisions, the City Council on November 17, 2014, conducted a public hearing to receive comments concerning the proposed budget, including rates of property-tax millages that had been estimated for levies during 2015; and

WHEREAS, following its review of the proposed 2015 Annual Budget, and after conducting a public hearing to receive comments concerning the proposed budget and estimated tax levies, the City Council on December 1, 2014, approved the 2015 Annual Budget:

NOW, THEREFORE, BE IT RESOLVED that the City of Petoskey City Council does and hereby directs that there shall be raised through a general tax upon the taxable real and personal property within the City during the next summer tax levy for the year commencing January 1, 2015, millages in the amount of 7.6346 for general operating purposes, 0.4890 for solid-waste purposes, 1.8055 for library purposes, and 3.8580 for right-of-way purposes; and, when collected, proceeds from such levy are hereby appropriated to the General Fund, Library Fund, and Right-of-Way Fund; and

BE IT FURTHER RESOLVED that the total aggregated amount of all such authorized millages shall total 13.7871 mills; and

BE IT FURTHER RESOLVED that these various millages so ordered to be levied shall be certified by the City Clerk-Treasurer to the City Assessor and shall be levied and collected upon the taxable value of all taxable property within the City.

Said motion was adopted by the following vote:

AYES: Marshall, Dittmar, Wills, Fraser (4)

NAYS: None (0)

Resolution No. 18876  
Sixth Annual Smart Commute  
Emmet Proclamation

The City Manager next reviewed the sixth annual Smart Commute Emmet, June 1-5, 2015. The week is intended to provide opportunities and incentives to consider alternative methods of getting to work and school, such as walking, biking or taking the bus. Last year's event

engaged more than 590 participants, had 50 teams and 6 individuals compete in the Commuter Cup Challenge, a friendly workplace competition to encourage coworkers to try an alternate commuting method. Again this year, smart commuters will receive free breakfasts at sponsoring businesses Monday through Thursday with the Commuter Cup Challenge Awards Ceremony to be held Friday at noon in Pennsylvania Park. A drawing for fabulous prizes from sponsors will be held at that time.

Smart Commute Emmet was designed with input and collaboration by over twenty private, public and community organizations and administered by the Top of Michigan Trails Council.

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

WHEREAS, the week of June 1-5, 2015 shall be known as "Smart Commute Emmet" and is a week-long event to promote transportation modes other than single person driven vehicles, including biking, walking, carpooling and the use of public transportation; and

WHEREAS, the event has grown in its first five years to engage more than 590 participants in 2014; and

WHEREAS, this year's event will include free smart commuter breakfasts, a commuter cup challenge for businesses to challenge their employees to smart commute, a smart-commute prize drawing, a bike maintenance class and an awards ceremony; and

WHEREAS, the City of Petoskey has adopted a City Master Plan that addresses the need to create a balanced and diversified transportation network; and

WHEREAS, the City of Petoskey has miles of bicycle and pedestrian friendly infrastructure, has constructed and maintained sidewalks and non-motorized paths, and has installed bicycle parking at various locations; and

WHEREAS, the City of Petoskey supports and encourages walking, biking and public transportation as healthy and efficient transportation options.

NOW THEREFORE BE IT RESOLVED, that the Petoskey City Council does hereby declare June 1-5, 2015 as:

### THE SIXTH ANNUAL SMART COMMUTE EMMET

And urges the citizens of the City of Petoskey to show their support of alternative transportation by participating in Smart Commute Emmet.

Said resolution was adopted by the following vote:

AYES: Marshall, Dittmar, Wills, Fraser (4)

NAYS: None (0)

Resolution No. 18877  
Designate Certain Parks & Park Areas  
as Tobacco Free Zones

The City Manager next reviewed that in March 2014, SAFE of Northern Michigan made a presentation to the Parks and Recreation Commission requesting that an ordinance be created that would ban tobacco products, including smoking material, from City parks. In May 2014, the Commission chose not to go forward with the proposed request for an ordinance and took proactive steps to discourage tobacco use at programmed recreational events. At its May 11, 2015 meeting, the Commission revisited the request to create tobacco free areas within certain City parks and recreational facilities.

The proposal is designed as an educational effort to increase community awareness about health risks associated with the use of tobacco products and to discourage its use around children and young adults. City Council was being asked to approve a resolution that would create tobacco free zones within certain areas within several city parks and to designate other parks as tobacco free parks. These parks and park areas were selected because they are heavily frequented by young children, teens and young adults and also utilized for recreation and outdoor play. This is not an ordinance and it is hoped that the tobacco free zone designation, signage and continuing education efforts will encourage compliance by our park patrons not to use tobacco products in front of the children frequenting these areas. SAFE will supply signage at no cost to the City.

Parks to be considered for Tobacco Free Zones include Riverbend Park, Bates Park, Washington Park, Lockwood Park and Winter Sports Park. Tobacco Free Zones within park areas include playground and Ed White Field area at Bayfront Park, playground and north side of bike path (lakefront) at Magnus Park and athletic fields at River Road Sports Complex. Other parks or park areas may be considered for inclusion at a future date and time.

Susan Pulaski, Community Health Coordinator for Health Department of Northwest Michigan, gave a brief presentation reviewing the benefits to tobacco free zones, enforcement tips and reviewed other communities in Michigan that have adopted similar policies.

Mayor Fraser asked for public comments and heard inquiries if tobacco free zones could be extended to the remainder of the City; that additional city parks and park areas should be added; and that this is a great first step in benefiting the community.

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

WHEREAS, the City of Petoskey believes that tobacco use in the proximity of children, teens and adults engaging in or watching outdoor recreational activities at city recreational facilities or parks is detrimental to their health and wellbeing; and

WHEREAS, the designation of Tobacco Free Parks and Tobacco Free Zones within certain parks can create and sustain an environment that supports a non-tobacco norm through proper signage, education and adult-peer role modeling; and

WHEREAS, parents, coaches, leaders and officials involved in recreation are role models for youth and can have a positive effect on the lifestyle choices that children and teens make; and

WHEREAS, the City of Petoskey Parks and Recreation Commission, by resolution, requested that City Council consider designating certain parks and park areas as tobacco free zones; and

WHEREAS, City Council has determined that designating tobacco free zones at city playgrounds, athletic facilities and certain parks and park areas serves to protect the health, safety and welfare of its constituents:

NOW, THEREFORE, BE IT RESOLVED, that the City of Petoskey City Council adopts this resolution designating that the following parks and park areas be tobacco free:

- Riverbend Park
- Bates Park
- Washington Park
- Lockwood Park
- Winter Sports Park
- Bayfront Park – playground and Ed White Field area only
- Magnus Park – playground and lakefront, north of bike path only
- River Road Sports Complex – athletic fields only

Said resolution was adopted by the following vote:

AYES: Marshall, Dittmar, Wills, Fraser (4)  
NAYS: None (0)

<u>Hear Council Comments</u>	Mayor Fraser asked for Council comments and Council-member Wills welcomed the new City Manager.
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There being no further business to come before the City Council, this May 18, 2015, meeting of the City Council adjourned at 7:33 P.M.

W.J. Fraser, Mayor

Alan Terry, City Clerk-Treasurer