

**REGULAR CITY COUNCIL MEETING**  
**June 13, 2006**

The Regular City Council Meeting was called to order by Mayor Muschell in the Council Chambers in the City Hall at 7:00 p.m. The proceedings were as follows:

Present: Council Members Tebo, Riddle, McCauslin, Charboneau, Muschell and Boardman

Councilman Tebo led the Pledge of Allegiance to the Flag.

**Approval of Agenda and Receive and File all Communications**

Mayor Muschell noted one addition to the agenda under 8.E. Request from Chief Jones to hold a public auction. City Manager McNeil noted that topic is already on the agenda under 11.M. and that Chief Jones has an updated inventory of the items to be auctioned.

Councilman Charboneau moved to approve the agenda as presented and receive and file all communications. Seconded by Councilman Boardman. Motion carried unanimously.

**Correction and Approval of Prior Meeting Minutes**

- **Regular City Council Meeting – May 23, 2006**

Councilman McCauslin moved to approve the minutes of the May 23, 2006 Regular City Council Meeting as presented. Seconded by Councilman Tebo. Motion carried unanimously.

**Public Comments**

Public comment portion of the meeting opened by Mayor Muschell.

- **Mariner's Village Marina**

Former Mayor, Councilman and City Manager Bill Chlopan commented on the Mariner's Village Marina development at the waterfront, noting his pleasure regarding the project. Mr. Chlopan also commented on the future of waterfront development designed in such a way to obtain maximum benefits for residents of Cheboygan by way of employment and economic progress. He noted that construction of the new boat storage facility is very important to the overall waterfront development plan and will greatly enhance the chances of securing grant funding from the State for the new marina and pedestrian bridge. Mayor Muschell commented that applications for permits to construct the pedestrian bridge have been filed and all have been obtained with the exception of the State Historical Preservation Society, which is anticipated in the near future.

Public comment portion of the meeting closed by Mayor Muschell.

**Public Hearings**

- **Proposed Operating Budget for the Fiscal Year July 1, 2006 through June 30, 2007**

Public hearing portion of the meeting opened by Mayor Muschell

City Manager McNeil referred to the proposed Operating Budget for the fiscal year July 1, 2006 through June 30, 2007, commenting that the Budget for the most part was approved by Council from a preliminary standpoint in April. He noted that an approximate 2.5% increase in revenues is anticipated from major revenue sources including property taxes, State shared revenues, and revenues

to the Major and Local Street Funds, and expenses that meet that overall expenditure. City Manager McNeil commented that Council will note by review of the attachments that as far as costs, the major challenges continue to be employee benefits. He referred to the projection with regards to benefit costs that shows an increase of approximately 4.5% in so far as fringe benefits and also includes payment toward sick and vacation time. City Manager McNeil stated there are limited capital improvements in order to balance the Budget this year, adding that the capital improvements include the proposed purchase of a police vehicle, turn out gear and air packs for the Fire Department and debt for the paving program that Council will entertain later. City Manager McNeil commented that he considered the insurance proposal he is recommending tonight within this Budget as well, and that assumption is included. He noted that in so far as the Water & Wastewater Department, for the third or possibly fourth year in a row, the operations and capital improvements being recommended will be covered under existing revenues without having to increase water and sewer rates. Additionally, the Water Fund Budget includes an appropriation under capital improvement for future improvements and it is anticipated that funds will be allocated as those capital improvements are identified based on the water quality objective that he will report on later. City Manager McNeil stated that all other parts of the Budget have the incremental inflationary increases as customary and as presented in the Preliminary Budget. Councilman McCauslin commented that when reviewing the Budget revisions, in most cases with the exception of the Parks and Recreation Department, wages and fringe benefits were slightly increased over what was anticipated. He asked if that was due to overtime expenses. City Manager McNeil replied that with regard to the Current Fiscal Year Budget Revision, increases are reflected most likely in the Department of Public Works primarily due to winter time maintenance activity costs exceeding what was anticipated due to late storms that occurred.

Public Hearing portion of the meeting closed by Mayor Muschell.

Councilman Tebo moved to adopt the Operating Budget for the fiscal year July 1, 2006 through June 30, 2007. Seconded by Councilman McCauslin. Motion carried unanimously.

### **Communications and Petitions**

- **Resignation Letter from Councilman Vaughn Temple, Effective May 30, 2006**

Councilman Charboneau moved to accept with regret the resignation of Councilman Vaughn Temple effective May 30, 2006. Seconded by Councilman McCauslin. Motion carried unanimously.

Councilman Tebo moved to send a letter of appreciation to Mr. Temple for his years of service on the City Council and that the letter be drafted by the City Manager on behalf of the City Council. Seconded by Councilman McCauslin. Motion carried unanimously.

- **Request from Adam J. Slovinac to Use Gordon Turner Park the Evening of July 14, 2006**

Mayor Muschell read the letter from Mr. Adam Slovinac requesting the use of Gordon Turner Park on the evening of July 14, 2006 for a rehearsal dinner.

Councilman Charboneau moved to approve the use of Gordon Turner Park on the evening of July 14, 2006 by Adam J. Slovinac. Seconded by Councilwoman Riddle. Motion carried unanimously.

- **Request from Citizens National Bank to Hold 2<sup>nd</sup> Annual Churchill Classic on August 19, 2006**

Councilman McCauslin moved to approve the request from Citizens National Bank to hold the 2<sup>nd</sup> Annual Churchill Classic on August 19, 2006. Seconded by Councilman Charboneau. Motion carried unanimously.

- **Request from Downtown Cheboygan Summer Street Fair to Close Main Street from State Street to Division Street on July 1, 2006 from 7:00 a.m. to 7:00 p.m.**

Councilman McCauslin questioned the designated truck route while Main Street is closed. Chief Jones replied that the designated truck route would include Huron Street and Western Avenue while a portion of Main Street is closed.

Councilman Tebo moved to approve the request from the Downtown Cheboygan Summer Street Fair to Close Main Street from State Street to Division Street on July 1, 2006 from 7:00 a.m. to 7:00 p.m. Seconded by Councilman McCauslin. Motion carried unanimously.

### **Bills and Disbursements**

- **Bills and Disbursements for the Month of May 2006**

Councilman McCauslin moved to approve the bills and disbursements for the month of May 2006 in the amount of \$686,990.80. Seconded by Councilwoman Riddle. Motion carried unanimously.

### **Boards and Commission Reports**

- **Regular Downtown Development Authority Meeting – June 6, 2006**

City Manager McNeil reported that the DDA Board continues to consider the idea of inducing development of the former Woolworth site and that he provided the Board with a report on his meeting with the property owners where the different options regarding development of that building were discussed such as use of the Brownfield Authority in the event demolition is considered or the ability to freeze property taxes under the Obsolete Property Rehabilitation Act if the building were to be rehabilitated. Also discussed were different redevelopment scenarios and ultimately the owners indicated they would seek a demolition cost estimate so that an indicator of value could be determined. City Manager McNeil commented that he advised the DDA Board that he was quite frank with the owners in that his opinion is that what they were asking is not in line with the value and that is one of the inhibitors to anything happening there. He noted that the meeting ended with the understanding that the owners would obtain demolition cost information and that he would provide detailed information to them with regards to the Brownfield Authority. City Manager McNeil stated that in reporting that to the DDA Board, the Board tabled any further discussion regarding the Woolworth building until the next DDA meeting in the hopes that the estimate for demolition would come forward and some type of value estimate based on that indicator would be available for the Board to consider. City Manager McNeil explained for the benefit of the audience that the DDA Board is considering some way to get involved in an agreement with the owners of the Woolworth building where the DDA could identify a developer and possibly transfer the property over to the developer once purchased by the DDA and subsidize acquisition cost to a developer to make that happen. He noted that each DDA Board member has a different idea of what that amount should be, if anything, and what type of incentive should be provided and the Board is struggling to reach a consensus, and that he expects this issue will be discussed for some time. Councilwoman Riddle questioned if the brace on the side of the Woolworth building has resolved any issues with the building in that one area. City Manager McNeil stated he believes that the brace appears to have

taken care of the public safety concern of the brick façade possibly falling on passers-by and that there are no real structural issues of any major concern that he is aware of. Councilwoman Riddle questioned if any new issues have developed and if the building is being watched relatively closely in terms of possible hazard. City Manager McNeil replied that no new issues have developed that would pose a public safety hazard that has come to his attention and that the building is being monitored.

### **General Business**

- **Consideration of Amendment to Mariner's Village Planned Project**

Mr. John Knaffla introduced himself, explaining that he is the developer for the Mariner's Village Marina project. He commented that the Mariner's Village has been a work in progress over the last two years and was initially designed to accommodate smaller boats; however, once market research was done on consumer interest in this type of facility, the research indicated an interest in a facility that could accommodate much larger boats than what was first anticipated. Mr. Knaffla stated that one of the first changes made was to redesign the internal structure of the building by adding more steel to support the boats themselves and create more pilings than what was first proposed to accommodate larger boats. He commented that the difference between the size of the buildings are relatively the same, explaining that the smaller building close to Main Street is approximately three feet larger than what was first planned because the roof line had to be changed to accommodate larger boats on the top rack. Mr. Knaffla noted that the structure itself internally was the main reason for changes because of the change from accommodating 200 smaller boats to 158 larger boats which is the market in this area. Additionally, over the two year process the cost of raw materials increased and some cosmetic changes were made in the type of materials being used. He referred to the engineering drawing which is more of a rendering and not as detailed as the finished drawing. Mr. Knaffla explained that the type and shape of the windows was one of the bigger changes. Councilwoman Riddle asked if the building is taller than what was presented in the original plan, commenting that the height of the building was a concern. Mr. Knaffla noted the building is exactly the same height and is actually smaller because the pitch is less, adding that the distance from the ground to the eave is exactly the same and has not changed. Mayor Muschell noted the increase in the height of the doors, commenting that he assumes that is to accommodate larger boats. Mr. Knaffla replied that is correct in that the higher doors are needed to accommodate the larger boats. He stated that as the project progressed, cost-saving measures were explored and the design of the windows was the first option considered. Mr. Knaffla explained that the original windows were rounded but the architect and window manufacturer could not guarantee the rounded windows would not leak when used in conjunction with the steel building. He noted that the rounded windows helped define the building to make it aesthetically pleasing but without the leakage guarantee, square windows with a slight change in design were substituted and include canopies that will extend over the windows. Mr. Knaffla commented that some of the other changes include the door heights, the pitch of the roof needed to store larger boats, additional block added to the building particularly on the Main Street, and the height of the pillars have also been changed because of the different windows and color scheme. Additionally, windows, awnings and trim have been added to the south side of the building. Some of the other changes include the office in the back on the River and the transition of that area from two stories to one story to accommodate storage of the larger boats. Mr. Knaffla commented that the structure will be the same type of facility including showers, restrooms, an office and either retail or clubhouse. He noted that louvers similar to portholes were added as well as block to the riverfront. Councilman Charboneau commented that Mr. Knaffla should have presented the changes two years ago and that Council needs to be informed of any changes. Mr.

Knaffla commented that he understands that and apologized, noting he should have informed Council of the changes as the project moved forward because this is not exactly what Council approved two years ago. He added that although no structural changes are being made and the building is the same size, the exterior appearance was changed somewhat. Mayor Muschell commented that these changes may have a bearing on the City being more successful than not with developing the marina across the river for smaller boats because the Waterways Commission is interested from the standpoint of providing for small boats in the area. Councilman Tebo questioned if the plans presented tonight are the finished product. Mr. Knaffla indicated that the colors are not exact but are close and this is what the building will look like. He noted that once the windows and canopies are installed and the landscape is done, the blocks will appear smaller. Councilman Tebo suggested publishing a drawing of the finished product in the newspaper for residents to see the finished project. Councilwoman Riddle questioned the anticipated completion date of the project. Mr. Knaffla replied that the project should be completed mid-August. He explained that the exterior cosmetic part is underway now primarily with framing the windows and then the canopies can be installed. Mr. Knaffla noted that the canopies will bring character and depth to the building and will bring the height down in appearance and the building will not look as massive as it appears right now. Additionally, the internal frame of the building is what people are seeing now. Councilwoman Riddle asked if the landscaping would be done this year. Mr. Knaffla indicated that the landscaping is in the budget and has been planned and attempts will be made to complete the landscaping portion including a sprinkler system, lawn and trees. He commented that Council is correct in that people may want to see a rendering that shows an aesthetically pleasing drawing of the building because of the difficulty in referring to only a blueprint. Councilman Tebo noted that would quiet some of the concerns that are circulating in the public. Mr. Knaffla agreed, commenting that a drawing is provided for review in the Boathouse Restaurant. He also referred to the structures that were formerly located on the property such as the Convenient Store, former Thompson Lumber Company and old sheds and that the clean up expense alone was substantial. Additionally, the new structure is a significant improvement from what was previously there. Mr. Knaffla noted that he has approximately 100 reservations although no signed contracts until the project is complete, but there is interest and that is a positive aspect and it will bring people into this area. Councilman Tebo questioned how many people Mr. Knaffla anticipates employing. Mr. Knaffla estimated six full time employees during the summer season and the business will be closed in the winter with only the general manager available to monitor the business. City Manager McNeil stated that what Council has before them tonight is consideration of the new elevation drawings. The footprint of the building has been reviewed and there are some changes there so Council can expect another consideration with regards to the footprint and the site plan most likely at the next City Council meeting. Councilwoman Riddle commented on the building not setting back as far as what was originally planned, and asked if that distance is in keeping with the other buildings along that stretch. Mr. Knaffla indicated that the Mariner's Village building is similar in closeness to the First Federal Bank building on Main Street.

Councilman McCauslin moved to approve the Amendment to the Mariner's Village Planned Project. Seconded by Councilman Boardman. Motion carried unanimously.

- **Consideration of 2005/2006 11-Month Budget Revision**

City Manager McNeil referred Council to the proposed revisions in the 11-Month Current Fiscal Year Budget, commenting that this pretty much reflects what Council approved a couple months ago for the nine month revision. He pointed out that the Budget now indicates a balance transfer of

\$20,400 which is to cover the expenditures mentioned earlier with regards to some of the unanticipated expenses pertaining to winter maintenance of major and local streets. Additionally adjustments were made within the Equipment Fund due to fuel expense and the painting of the mansard roof also went over budget. City Manager McNeil noted that there were influences in each of those areas and others that caused the need to balance the Budget to provide that balance transfer. Everything else remains at levels as previously approved. Councilwoman Riddle asked what caused the expense of the painting the mansard roof to exceed the amount budgeted. City Manager McNeil stated that \$20,000 was budgeted for painting the mansard roof based on some preliminary cost estimates however, the bids came in at \$30,000. He added that a change order was approved for \$2,200 because the south and west sides of the roof would not cover properly with only one coat of paint that was in the specifications. Councilwoman Riddle also asked the anticipated completion date. City Manager McNeil replied that another week is anticipated and that painting was delayed somewhat due to the moisture levels being higher in the mornings than anticipated.

Councilman Tebo moved to adopt the 2005/2006 11-Month Budget Revision as presented. Seconded by Councilman McCauslin. Motion carried unanimously.

- **Consideration of 2007 Capital Improvement Plan**

City Manager McNeil stated that the Capital Improvement Plan is updated annually and includes the vision of the City's Boards and primarily the Department Heads for the needs within each department during the next five years. He commented that Council will note some adjustments with regards to the Water Department regarding future capital improvement cost allocations and other issues such as the planned paving projects within the Department of Public Works. The Plan totals just over \$13 million in projects and capital improvements. City Manager McNeil stated that the City also seeks approval of the Planning Commission on this document to ensure that the plans for capital improvements in the City coincide with the Commission's visions of infrastructure needs to meet the Land Use Plan and other plans that the City looks to the Planning Commission to oversee. Councilman McCauslin asked if there has been any thought of either expansion or modernization to accommodate any future growth of the Wastewater Treatment Plant. City Manager McNeil stated that many of the planned improvements within the Water and Wastewater Department are occurring within the next couple years and that a system evaluation is needed as well as an overall perspective and review. He noted that once that is done, Council will see more allocations in the future, and there may be some issues with regards to capacity. Additionally, if Inverness Township officials decide to exercise the additional purchase of capacity option that Council approved a while ago, the proceeds that would bring to the Wastewater Department would be used toward future capacity study as well. Councilman Tebo questioned why the proposed Capital Improvement Plan for 2007 does not include a provision for replacing water mains. City Manager McNeil replied that these are general allocations and Council will see some provisions for water main replacement the following year in 2008. He explained that the reason specific provisions for water main replacement were not included is because it will take next year to determine exactly what will be done and where funding will be obtained. Councilman Tebo noted the water mains should be high on the priority list and residents living in the affected areas are wondering where their tax dollars are going. City Manager McNeil agreed, commenting that chances are the funding for that will either come through the Federal USDA or the State Revolving Fund and the application process for either one of those programs will take a year. He noted that there are also challenges with regard to public relations campaigns to make sure people know what is being done and that the City is working toward that end.

Councilman McCauslin moved to approve the 2007 Capital Improvement Plan. Seconded by Councilman Charboneau. Motion carried unanimously.

- **Consideration of 2006 Recommended Millage Rates for Operating and Debt**

Clerk/Treasurer Kwiatkowski stated that the City received a millage reduction fraction of 0.04 of a mill and that the amount levied this year will be 13.9782 mills for operating purposes which means the City lost a full mill for operational purposes due to the Headlee Rollback. Clerk/Treasurer Kwiatkowski explained that the other items are the Rural Development Debt Service at 0.9000 mills; the 2006 Refunding Bonds at 2.3000 mills; and the General Obligation Bonds for the Public Safety Facility at 0.8000 mills which is actually 0.2000 of a mill reduction this year. Councilman McCauslin questioned if that puts the total assessed millage at 17.9782 mills. Clerk/Treasurer Kwiatkowski replied that is correct and includes 13.9782 mills for operating purposes and 4.0 mills in debt service. He added that the debt millages are set according to the debt retirement requirements for the fiscal year.

Councilman McCauslin moved to approve the 2006 recommended millage rates for operating and debt for a total of 17.9782 mills, which includes the City Operating millage levied at 13.9782 mills; the 1997 Rural Development Bonds at .9000 mills; the 2006 Refunding Bonds at 2.30 mills; and the 2004 General Obligation Bonds at .8000 mills. Seconded by Councilman Boardman. Motion carried unanimously.

Councilman Tebo left the meeting at 8:00 p.m. and returned within that time.

- **Consideration of Quotes for Property and Liability Insurance for 2006/2007 Fiscal Year**

City Manager McNeil stated that receiving proposals for the City's liability and property insurance was one of the goals and objectives he indicated to Council that he wanted to undertake this year. He referred Council to a copy of the proposals received from Municipal Underwriters of Michigan, Inc., Michigan Municipal League, and Michigan Municipal Risk Management Authority. City Manager McNeil commented that his recommendation is to accept the proposal from Municipal Underwriters of Michigan, Inc. in the amount of \$85,412.00 for the upcoming year. As stated previously, this figure was used in the budget submitted to Council and that this is a significant savings and will be a great contributor toward helping balance that budget. City Manager McNeil noted that all proposals were competitive by way of coverage and all companies are solid. He added that references were checked relative to this recommendation and that the Cities of Gaylord and Boyne City are both very pleased with this company, so he feels very good about his recommendation. Councilman McCauslin asked if coverage through Municipal Underwriters of Michigan is just as concise as that of the Michigan Municipal League. City Manager McNeil replied that for 95% of the City's risk exposure we are looking at the comprehensive liability coverage. He added that there is no aggregate on all of them and they are all based on a \$5 million quotation using the same property and equipment list, and in fact, through the company he is recommending the City could add another \$5 million in coverage and still be under the Michigan Municipal League in so far as total premiums.

Councilman Charboneau moved to award the property and liability insurance for the 2006/2007 fiscal year to Municipal Underwriters of Michigan, Inc. in the amount of \$85,412.00. Seconded by Councilman McCauslin. Motion carried unanimously.

- **Consideration of 2006 Animal Control Appropriation to the Cheboygan County Humane Society**

City Manager McNeil stated that this is the third year that the Cheboygan County Humane Society has asked for this level of appropriation which is included in the budget that Council adopted. Councilman McCauslin commented that the Human Society provides a very valuable service and without animal control the City could not provide citizens with support that is needed. However, in reviewing the numbers, the Townships combined contribute \$9,150 annually to the Human Society and according to the Operating Summary from Animal Control the Townships make up 81.5% of all their calls. Councilman McCauslin noted that the City which has considerably less geography to cover even though the population is much higher only carries 18.5% of the total calls. He stated that in looking at 100% funding based on what the Townships contribute, the City should only be contributing \$2,077. Councilman Tebo noted that some of those Townships are poor and sparsely populated. He added that he feels the \$7,000 is well spent.

Councilman Tebo moved to approve the 2006 animal control appropriation to the Cheboygan County Humane Society in the amount of \$7,000.00. Seconded by Councilman Charboneau.

Yes votes: Council Members Boardman, Charboneau, Tebo and Muschell

No votes: Council Members McCauslin and Riddle

Motion carried.

City Manager McNeil stated that he and Mayor Muschell did broach this issue with some of the Townships at the Intergovernmental meeting. Councilman McCauslin stated he understands fully that some of these Townships are sparsely populated but with the majority of the calls outside of the largest population, the City is subsidizing everyone else and that he feels the City should not be paying the Township's bills. City Manager McNeil stated that in his view, if this were to be based on a per call basis, but he agrees with Councilman Tebo in that the City is getting a very good value for the cost and from the service standpoint for what is provided, he feels the City receives an excellent service and it is worth it. He noted that the Humane Society should probably be getting more from others. Councilman McCauslin agreed, stating that the City's example should be a wake up call to the other Townships. Mayor Muschell indicated that Councilman McCauslin's figures are correct and that he and City Manager McNeil have been through this before with the Intergovernmental group. Councilman McCauslin commented that the animal and human population within the City is considerably higher than the Townships and the geographical area is considerably less. The Humane Society could process three calls within the City and use a fraction of the gas it would take for one call in some of the Townships. He added that there is no doubt the City is receiving a good value but the Townships are not paying their fair share. Councilwoman Riddle stated that she hopes the Intergovernmental Organization will help in some of these issues that are somewhat inequitable.

- **Consideration of Bids for 2006 Season Bituminous Street Resurfacing Project**

City Manager McNeil stated that DPW Superintendent LaCross is present to answer any questions regarding the project. He added that the City is recommending the bid from H & D – Division of Rieth Riley Construction Company in the amount of \$315,947.00.

Councilman Charboneau moved to award the bid for the 2006 Season Bituminous Street Resurfacing Project to H & D – Division of Rieth Riley Construction Company in the amount of \$315,947.00. Seconded by Councilman Tebo.

Councilman Tebo noted that H & D has many employees living within the City and in the surrounding area and this is somewhat like supporting a local business.

Motion carried unanimously.

- **Consideration of a Resolution to Authorize Transportation Bonds for 2006 Season Bituminous Street Resurfacing**

City Manager McNeil stated that with approval of the bid, the funding is now needed. As mentioned previously, the budget reflects a debt service on bonds to do the paving project. He referred Council to the Bond Amount Budget relative to the bond issuing, providing an amount for contingency and the cost to issue the bonds. City Manager McNeil stated he is recommending the City issue bonds in the amount of \$340,000.00 adding that the Resolution before Council reflects the same.

Councilman Tebo moved to adopt a resolution to authorize transportation bonds for the 2006 season bituminous street resurfacing in the amount of \$340,000.00. Seconded by Councilman McCauslin. Motion carried unanimously.

- **Consideration to Take Bids for Installation of Equipment to Rehabilitate Four (4) Primary Settling Tank Sludge Collectors at the Wastewater Treatment Plant**

City Manager McNeil indicated that Water & Wastewater Superintendent Good is present to answer any questions regarding the equipment. He noted that Council may recall that bids for the equipment were approved and now Superintendent Good is seeking the ability to have the equipment installed.

Councilman McCauslin moved to take bids for installation of equipment to rehabilitate four (4) primary settling tank sludge collectors at the Wastewater Treatment Plant. Seconded by Councilman Tebo. Motion carried unanimously.

- **Consideration to Reappoint Kenneth Sheldon to the Recreation Commission, Term to Expire July 1, 2008**

Councilman Tebo moved to reappoint Kenneth Sheldon to the Recreation Commission with a term to expire July 1, 2008. Seconded by Councilwoman Riddle. Motion carried unanimously.

- **Consideration to Reappoint Terry Hecko to the Recreation Commission with a term to Expire July 1, 2008**

Councilman Charboneau moved to reappoint Terry Hecko to the Recreation Commission with a term to expire July 1, 2008. Seconded by Councilman McCauslin. Motion carried unanimously.

- **Consideration to Advertise for Persons Interested in Temporary City Council Seat, term July – November 13, 2006 and to Schedule a Date to Interview Candidates**

Mr. Bill Chlopan commented that he would like to be considered as a candidate for the temporary City Council seat.

Councilman McCauslin moved to advertise for persons interested in the temporary City Council seat, term July – November 13, 2006 and to schedule the interviewing of candidates at the Regular City Council meeting of June 27, 2006. Seconded by Councilwoman Riddle. Motion carried unanimously.

- **Consideration to Schedule City Auction for Wednesday, June 28, 2006 at 6:00 p.m.**

Councilman Boardman moved to schedule the City auction for Wednesday June 28, 2006 at 6:00 p.m. Seconded by Councilwoman Riddle. Motion carried unanimously.

### **City Clerk's and Treasurer's Comments**

- **City Council Member Election**

Clerk/Treasurer Kwiatkowski commented that filling the vacant seat would follow the same scenario as a regular City Council election and that anyone wanting to run for election must submit nominating petitions eight weeks prior to the November 7, 2006 election.

### **City Manager's Report**

- **Northern Cheboygan County Intermunicipality Committee Update**

City Manager McNeil reported that the first meeting of the Northern Cheboygan County Intermunicipality Committee was held and at that meeting, with the assistance of facilitator Ms. Ann Chastain, the Committee narrowed down what items would receive priority for discussion, and those items were prioritized. City Manager McNeil referred Council to a copy of the results of that discussion. He added that the next meeting will be held the first Monday in August at the Beaugrand Township Hall, and at that time the Committee will discuss developing a Mission Statement and Action Plan for each of the prioritized items. City Manager McNeil noted that any thoughts or comments from Council relative to these issues should be given to either himself, Councilman Tebo, Councilman McCauslin or Planning Commissioners Granger or Prieur.

- **S. Western Avenue Sewer Construction Scheduled to Begin June 21, 2006**

City Manager McNeil stated that construction of the South Western Avenue sewer project is scheduled to begin on June 21, 2006 with some marking of the project and mobilization materials and the actual construction will begin approximately one week following that.

- **Water Quality Action Plan**

City Manager McNeil stated that Superintendent Good as well as Water Department staff and Wade Trim Engineers have put together the Water Quality Action Plan. Recommendations of the Water Quality Audit were used and the action steps needed to be taken to accomplish each of those were identified, and a timeframe for completion of each of those action steps was also identified. City Manager McNeil noted that Council can expect an updated report with regard to those action plan issues within three months, and he expects a report will be provided quarterly with regard to progress. City Manager McNeil added that the City has received a proposal from Wade Trim to evaluate the Capital Improvement meetings and the funding options which will very likely come before Council for consideration at the next meeting.

- **Lincoln Avenue Bridge Weight Restriction**

City Manager McNeil stated that signage on the Lincoln Avenue Bridge will be posted to allow only passenger vehicles and eliminate all heavy truck traffic by the end of the week. Mayor Muschell commented that MDOT would need to be notified when the weight restriction signs are ready to be posted adding that the notification involves the same report that was filed last year except this will specify the restriction of truck traffic. City Manager McNeil noted that would be reviewed and that the designation would need to be changed. Councilwoman Riddle questioned pick-up trucks being allowed to haul large boats over the Bridge. Chief Jones noted that commercial vehicles and busses would not be allowed, but pick-up trucks pulling boats would be acceptable.

**Messages and Communications from Mayor and Council Members**

• **Vaughn Temple/Ambulance Board Member**

Councilman Tebo noted that former Councilman Vaughn Temple serves on the Ambulance Board on behalf of the City Council and has expressed a desire to remain on that Board. He recommended that Mr. Temple be allowed to continue representing the City on the Ambulance Board. Council agreed.

• **Mackinaw Maritime Museum**

Councilman McCauslin stated he would like to go on record as saying that he was quite impressed with the change in command regarding the new Coast Guard Cutter Mackinaw; however he is very disappointed and disheartened with how the City, Council and Mayor have been treated in the decision to move the decommissioned Mackinaw to Mackinaw City. He commented that he feels he was inappropriately used and deceived three weeks prior when discussing the Mackinaw Maritime Museum Ship's disposition with Senator Allen and Congressman Bart Stupak's office and a member of the Maritime Museum Committee who contacted him at home and provided a lot of information. Councilman McCauslin stated that he was originally promised that the Mackinaw City move was temporary and for two to three years maximum until a site in Cheboygan could be finalized and prepared. Now he is being told that Mr. Bill Shepler of Mackinaw City has controlling interest and will run this entire operation with the Maritime Museum Committee chairing the Museum. Councilman McCauslin stated that the City has lost out on a very valuable tourist destination and he sincerely wished that communication between the Mackinaw Maritime Museum Committee and City Council could have been far better. He added that he repeatedly asked the Committee to provide progress reports at City Council meetings and in the year and a half that the Committee has been discussing business they have been in Council Chambers only one time and that he is rather disgusted with the whole proceedings. Mayor Muschell commented that the Mackinaw Maritime Museum Ship is a private organization. Councilman McCauslin commented that the Museum Ship is now a private organization and is a done deal and he feels that the Committee used the City to secure a not-for-profit status and that was our sole function.

**Adjournment**

Councilman Charboneau moved to adjourn the meeting at 8:28 p.m. Seconded by Councilman Boardman. Motion carried unanimously.

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Mayor James Muschell

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City Clerk Kenneth J. Kwiatkowski

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Councilman Scott McCauslin

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Councilman Gerald R. Boardman

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Councilwoman Winifred L. Riddle

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Councilman Charles Charboneau

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Councilman Leslie A. Tebo