

**REGULAR CITY COUNCIL MEETING**  
**October 24, 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 McCauslin, Charboneau, Muschell, Boardman, Tebo, Chlopan and Riddle

Councilman McCauslin led the Pledge of Allegiance to the Flag.

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

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

**Correction and Approval of Prior Meeting Minutes**

- **Regular City Council Meeting – October 10, 2006**

Councilman Boardman moved to approve the minutes of the October 10, 2006 Regular City Council Meeting as presented. Seconded by Councilman McCauslin. Motion carried unanimously.

**Public Comments**

Public comment portion of the meeting opened by Mayor Muschell.

- **Pinehill Cemetery Sexton Contract**

Mr. Ray Lofgren introduced himself, commenting that much time was spent at the last City Council meeting regarding the Cemetery contract. He explained that he was confused on the conditions of the contract in that one year after the contract was negotiated, there was an additional \$700 a month payment for burials and he was using \$750 per grave. Additionally, he was assuming it was another \$50,000 negotiated contract, and that he apologizes. Mr. Lofgren distributed copies to Council regarding a newspaper article that appeared in the Tribune in 1998, noting that Councilwoman Riddle was the only Council Member present that was opposed at that time to the Olson contract.

Public comment portion of the meeting closed by Mayor Muschell.

**Public Hearings**

- **Close-Out Hearing for CDBG Grant Program No. MSC201021-EDPA, Great Lakes Tissue Loan Project**

Public Hearing portion of the meeting opened by Mayor Muschell.

City Manager McNeil explained that the reason for the public hearing tonight is that there are still funds remaining for this particular grant program. In order to properly close out a grant program where there are funds left unspent, it is the State's policy that a public hearing be held. The grant being discussed here is a special grant that was set up to reimburse the City of Cheboygan for legal expenses when we went through a restructuring of loan documents for Great Lakes Tissue. People may recall that a federal loan, that was facilitated by the State, helped bring Great Lakes Tissue to the City. The City was the qualifying entity because we are a low/moderate income community. When it came time to restructure some of the loan documents, the City had to be the entity to initiate that

and the State provided the City with the funds for those legal fees. There remains money within that particular grant program that was not spent and the documents have been squared away and have been for quite some time. We are simply holding this public hearing so the State can close out that particular program and those funds. Councilman McCauslin asked if these funds just simply have not been given to the City that were held in reserve for the City, or have they been paid to the community and the City needs to return them to CDBG. City Manager McNeil explained these are funds that were not necessary and given to the City on a reimbursement basis. The fund amount was roughly \$15,000 and the City used approximately half that amount in legal fees.

Mayor Muschell then asked for public comment. There were none.

Public Hearing portion of the meeting closed by Mayor Muschell.

Councilman McCauslin moved to approve the closing out of unused grant funds issued to the City of Cheboygan by a Community Development Block Grant through the Michigan Economic Development Corporation with regard to legal fees incurred while restructuring loan documents and agreement relative to the original Great Lakes Tissue Section 108 Loan. Seconded by Councilman Charboneau. Motion carried unanimously.

### **Communications and Petitions**

- **Five-Year Probate Court Report – Judge Robert Butts**

Judge Robert Butts provided a five year report on the Cheboygan County Probate Court and Fifty Third Circuit Family Court, adding that he is running for re-election as Judge of that Court and provided background information regarding his experience. Judge Butts stated that in 1998, the Family Division of the Court was created to hear cases dealing with family law aspects such as divorce, custody, child abuse and neglect and juvenile delinquency. He stated that Family Court matters previously heard by the Probate Court are now heard by the Family Court Judge who can be a Circuit Court Judge in a multi-Judge Court, or a Probate Court Judge acting as a Family Court Judge in the Circuit Court. He also provided an outline of the Probate and Family Court jurisdiction, Juvenile and Probate Office staff, Probate and Family Court statistics on the number and types of cases, accomplishments and community service involvement, and information on some of the programs the Court has implemented.

- **Request from Mike Powers – Letter from City Council to Congressman Stupak – re: Solutions to Global Warming**

Ms. Karen Martin introduced herself, commenting she is present in place of Mr. Mike Powers. She explained global warming, requesting that Council consider signing the proposed letter to Congressman Stupak and perhaps the City Council can look into finding ways to make the City services more energy efficient to help guide and lead the community in energy conservation.

Councilman McCauslin moved to approve a letter to be signed by Mayor Muschell to Congressman Stupak on solutions to global warming. Seconded by Councilman Boardman. Motion carried unanimously.

- **Request from Richard Winters Requesting Paid Health Care after Retirement for His Spouse and Himself**

Councilman Chlopan moved to resolve that the City Council amends the April 26, 2005 resolution setting policy regarding retiree health benefits to allow qualified early retirement employees, in lieu of remitting the retiree's share (if any) to contract with the City in writing to annually work for the City the number of hours required to equal the amount that both the employee and her/his spouse's premium cost exceed the City's published Schedule For Maximum Contribution Toward Health Benefit Program; in order to be qualified an employee must be covered by the same health care insurance carrier specified in the new Public Safety Bargaining Agreement.

Councilman Chlopan explained that the resolution would allow the Council Policy established in 2005 addressing retiree health care coverage to stay in affect, and the employee, in order to take advantage of the coverage, would not have to obtain other employment to repay the City the appropriate premium but would instead, allow the employee an opportunity to enter into a contract with the City to work on a part time or full time basis for a portion of the year to reimburse the City for the premium expense. Mayor Muschell commented he understands the general idea but is not entirely clear on the concept. Councilman Chlopan further explained. Councilman Tebo stated that the City has a responsibility to taxpayers to do the best thing; however, Council also has a responsibility to the employees that have served the City. He recommended that rather than flatly deny a request, some further investigation on the matter should be done such as health care for retirees and basic coverage for the retiree's spouse. Councilwoman Riddle stated that Mr. Winters has requested to speak before Council and has not yet had the opportunity. Additionally, she would like to hear from Mr. Winters before proceeding with further discussion from Council. Councilman Tebo recommended that the letter from Mr. Winters be read into the record. Mayor Muschell agreed, adding the Mr. Winters can also address Council.

Council referred to the motion made by Councilman Chlopan to amend the City Council Policy of 2005 regarding Retiree Health Benefits. Mayor Muschell questioned Council three times if there is support to the motion. There being no support, the motion failed.

Mr. Richard Winters introduced himself, explaining that he is currently employed with the City of Cheboygan as Water and Sewer foreman. He read his letter to Council which states as follows: "I am requesting paid health care after retirement for myself and my spouse. I am requesting this due to the fact that my last day of employment will be May 18<sup>th</sup>, 2007. I am well aware that the collective bargaining agreement effective date July 1, 2003 and termination date June 30, 2007 states on page 24, section 6, paragraph B that the retiree must pay the premium charges. I am also aware that in April 2004, Mr. Dan Minch retired and received ten (10) years of full paid health insurance for him and his spouse. Also, in October 2004 Mr. Brent Duffiney received the same. Both of these employees were part of the same collective bargaining agreement as myself. By giving these two employees this benefit you have uniformly changed the conditions of my employment and the collective bargaining agreement. All I am asking is that I be treated the same as the two people that retired under this agreement, and that I be given the benefit that I was told I would receive."

Mr. Winters provided further background information, commenting that he has been part of the collective bargaining unit for almost 25 years and was told repeatedly not to negotiate health care after retirement because retirees would be provided that benefit. He stated that retirees in the past were provided the benefit, and two retirees under the same bargaining agreement that he is retiring

under were granted ten years of fully paid coverage for themselves and their spouses. Mr. Winters stated that now is his turn and he will not receive that benefit. He commented that he not only feels that is wrong, he also feels it is illegal. Additionally, he is requesting to be treated the same as the retirees in which he worked with side by side for over twenty years who retired with fully paid health insurance for themselves and their spouses. Mr. Winters added that he is willing to work with Council on coming up with some kind of agreement such as eliminating prescription and optical coverage to reduce the cost of health care coverage for himself and his spouse. Mr. Winters also clarified that he is not an early retiree in that he is of age and has worked the required number of years for retirement. He commented that with regard to returning to City employment on a part time basis, he does not plan on remaining in the community and intends to relocate. Mayor Muschell asked Clerk/Treasurer Kwiatkowski if based on the policy Council adopted, is it possible to make an amendment to accomplish both objectives to satisfy some of Mr. Winters' concerns without prescription coverage versus the cost to the City to provide fully paid coverage for him and his spouse, noting that the City cannot afford that expense unless concessions were made somewhere within the program. Clerk/Treasurer Kwiatkowski stated he would not advise that unless Council set up some type of Committee and gave City Manager McNeil and himself some time to calculate the costs. He added that if retiree health care were given to both the spouse and retiree, the City could not afford that benefit five years out and there would have to be something very creative and would take some collaboration of Council, City Manager McNeil and himself. Councilwoman Riddle questioned if there has been a different collective bargaining agreement from the time when the other two former employees retired. Mr. Winters stated the retirements occurred within the same collective bargaining agreement. City Manager McNeil explained that this is during the same period of time but in his opinion, it is not part of the collective bargaining agreement. Councilwoman Riddle clarified then that Council is not proceeding contrary to the collective bargaining agreement in that Council made a concession to those two employees who retired early. City Manager McNeil indicated that is correct, commenting that the benefit has been provided by a policy of Council. Mr. Winters agreed that is correct and that his letter indicates what the collective bargaining agreement says; however, he feels what Councilwoman Riddle is asking is whether this is the same contract, which it is, and that there has not been another contract negotiated. He added that the former employees he is referring to retired under the same collective bargaining agreement that he is retiring under. Mayor Muschell stated that the only change then would be the change in Council policy. Councilwoman Riddle stated it was a policy that Council voted on that allowed the former employees an early retirement and the commitments that were made at that point in time. Mayor Muschell questioned the possibility of finding some creative way to resolve this issue. City Manager McNeil noted that anything is possible, explaining that the conditions are a policy of Council and that the policy clearly states it is subject to change by approval of a majority of the City Council. He added that he feels what might be prudent is for the Council to review the report that was provided by the Committee that recommended the policy, specifically, all the reasoning behind it and the data that was reviewed, and then possibly proceed from there. Mayor Muschell commented that the basic reason for the change in policy was the difficulty in financing the cost, unless there is some other means of funding. City Manager McNeil explained that the concerns were the inflationary conditions of health care insurance and the uncertainty of those costs in the future. He added that what the policy did was brought in line, or at least what the Committee believed to be in line, the same type of benefit offered by other cities, and that also provided a number certain into the future on what those costs would be to provide that benefit. Mr. Winters commented that he understands the cost factor, but the other issue is that many of the retirees currently on the retiree health insurance plan will be coming off that because their ten year period will expire and therefore the cost will decrease. Secondly, he knows for a fact in the last year, the City has saved at least one third of the payroll cost

at the Wastewater Treatment Plant which would pay for at least two people for the ten years, the added cost above and beyond what the policy is. City Manager McNeil replied that he has not seen those numbers as far as the amount of savings that Mr. Winters is proposing. Additionally, Mr. Winters is correct in that there will be some retirees that will be coming off the health insurance and others will be going on. City Manager McNeil noted that the projection and those anticipated costs along with those time frames were included in that recommendation to Council. Mr. Winters then stated that there were only five employees left that were under that, and that we were told that we would receive health care after retirement. Clerk/Treasurer Kwiatkowski and City Manager McNeil disagreed, indicating there were quite a few more employees. Mr. Winters disagreed. Clerk/Treasurer Kwiatkowski commented that there were also retired police officers. Mr. Winters commented he is referring to five employees within the AFSCME bargaining unit. City Manager McNeil stated the policy covers all employees, both union bargaining units as well as non-union. He added that all the data from the Committee that ultimately provided the information to Council that initiated the change in policy, is available for review.

Councilwoman Riddle mentioned that Council had a very difficult decision to make in terms of going with this policy but with the amount of people involved and the impact to the City with regard to the escalating cost of medical insurance, Council tried to reach a mid-range or middle area that was not particularly good for the City and was not as good as in the past for retiring employees. She added that at the very least, she would be in favor of Clerk/Treasurer Kwiatkowski and City Manager McNeil going over the numbers again and seeing if there is anything that can be done. Councilwoman Riddle commented that again, this is another considerable research situation because it is not anything she is willing to make a snap decision on and there is too much at stake on both sides. City Manager McNeil stated that one of the projects or goals that he told Council he wanted to do at the beginning of last year was to refine the Operation Funds projection that he offers Council in budget reports and he has done that; he has already presented the preliminary results to the Department Heads which they are reviewing now. City Manager McNeil commented that he expects to provide that report to Council at the next City Council meeting in conjunction with the first quarter budget revision for this fiscal year. He noted that projection also takes into account, the funding of the retiree health insurance program under the current policy. Mayor Muschell asked if in conjunction with that, is it possible to try to find a solution with regards to Mr. Winters' prescription coverage and some of the other costs that might modify that, although he is aware it is hard to offset that inflation factor. City Manager McNeil indicated that he is unsure what is being asked. He noted that he feels what Mr. Winters is referring to is allowing conditions that are possibly unique to himself, and may be different to someone else. That may involve adjusting a policy that is meant to cover everyone equally and maybe trying to fine tune that for one particular individual, which he would advise against. City Manager McNeil commented he would advise Council to treat everyone equally in this regard. Clerk/Treasurer Kwiatkowski stated that when dealing with health care providers, coverage cannot be tailored and that there are limited options as far as what can be done with the groups. He noted that theoretically, the City could do that if there were a cafeteria plan in place but currently, the City is limited on what options are available. Clerk/Treasurer Kwiatkowski added that with regard to the prescription component of the coverage, the insurance agent indicated that removing that component is not an option with Priority Health, and is likely not an option with Blue Cross. He further explained that the prescription coverage is included in the health insurance coverage and is a very costly component. Mayor Muschell indicated what he had in mind was more of a cafeteria plan which the City does not have. Councilwoman Riddle asked if a motion of Council is required to request that some research be done on this issue and then report back to Council. City Manager McNeil replied that only an indication from Council is necessary, adding that the figures are

readily available with regards to the current program and that it may be a matter of first reviewing that report. Councilman Tebo stated that before refusing Mr. Winters' request, Council should explore every option. He added that he sees the point of view from both sides and hopefully there can be a mutual agreement. Mr. Winters requested to be part of that review process. City Manager McNeil recommended that the information provided by the Committee that caused the change in policy be reviewed. He added that the recommendation has a lot of important information including the projection of cost, survey information on what other cities provide, and the policy itself. City Manager McNeil noted that he will also have information at the next City Council meeting with regards to the current program, how it is being funded, the projected affects on the Operating Funds and then maybe proceed from there if Council wishes. Councilwoman Riddle asked if all of the information will be pulled together for the next meeting. City Manager McNeil replied that all the information would be available. Councilwoman Riddle noted that Mr. Winters would be provided the information at the next City Council meeting. City Manager McNeil agreed, commenting that Mr. Winters can have the information prior to Council if he would like. Mayor Muschell asked if that is on the basis of a consensus or if a motion and support is needed. City Manager McNeil indicated that if Council is agreeable, he will just proceed as he suggested. Councilwoman Riddle asked Mr. Winters if that is acceptable for this evening. Mr. Winters replied, for this evening.

### **Reading of Ordinances**

- **First Reading – An Ordinance to Amend title XV; Land Usage, Section 150(A) International Property Maintenance Code**

City Manager McNeil stated that this is an Ordinance that interjects in the areas indicated within the Property Maintenance Code, items specific to the City of Cheboygan. He referred to a copy of the Maintenance Code that was distributed, commenting that the form from the City Attorney interjects specifics into that Code. City Manager McNeil explained that what this does is provide another tool relative to enforcement of issues such as blighted property and ultimately meets our Strategic Plan objectives relative to addressing issues of junk and blight. This is simply another tool within our Code of Ordinances for addressing buildings that would not meet the Maintenance Code. Chief Jones has also been working on this as he will be charged with the actual enforcement, if this Code is adopted by Council.

Councilman Tebo moved to schedule a Public Hearing for Tuesday, November 28, 2006 at 7:00 p.m. in the City Council Chambers for consideration of an Ordinance to amend Title XV; Land Usage, Section 150(A). Seconded by Councilman Chlopan.

Councilwoman Riddle commented that it states here that this is the first reading of the Ordinance and the Ordinance was not read. She moved that the first reading be stricken or the Ordinance be read. Councilman Charboneau noted that the Ordinance does not have to be read. Councilwoman Riddle moved that the reference that says the Ordinance was read at the meeting be removed. Councilman Tebo stated he would amend his motion to strike the reference that the Ordinance was read, but rather that it was reviewed instead of read. Clerk/Treasurer Kwiatkowski stated that is not part of the motion. City Manager McNeil explained that the first reading is a reference on the agenda and does not necessarily mean to indicate that Ordinances are read verbatim publicly at the meeting, and that it is assumed that Council has read the Ordinance before hand. Councilwoman Riddle mentioned that she wanted her objection noted. Councilman Tebo stated he would proceed with his previous original motion that the Ordinance was read prior to the meeting and that everyone understood.

Yes votes: Councilman Muschell, Boardman, Charboneau, Chlopan, Tebo and McCauslin

No votes: Councilwoman Riddle

Motion carried.

- **First Reading – An Ordinance to Amend Section 70.02 and Repeal Section 70.99, General Provisions, Michigan Motor Vehicle Code**

City Manager McNeil deferred to Chief Jones for a report. Chief Jones stated that these are two Ordinances that update Chapter 70 which is under Title 7 of the City Ordinance entitled Traffic Code. He commented there is one minor correction he wanted to point out, explaining that the Ordinance to amend Section 70.01 is correct but the reference to Chapter 70.01 is incorrect and should be Chapter 70. Chief Jones noted this will be corrected for the next City Council meeting. He explained these are amendments to the Uniform Traffic Code and State of Michigan Motor Vehicle Code, so by adopting these, any new laws that were added to the Uniform Traffic Code and Michigan Vehicle Code in the past twelve months would bring the City's code up to date with those adoptions. Chief Jones also explained that the Uniform Traffic Code for Cities, Townships and Villages does not update very often and because there have been so many amendments with seatbelts and other traffic laws, the City Attorney wants to update this on a more regular basis.

Councilman Chlopan moved to schedule a Public Hearing for Tuesday, November 28, 2006 at 7:00 p.m. in the City Council Chambers for consideration of an Ordinance to amend Section 70.02 and Repeal Section 70.99, General Provisions, Michigan Motor Vehicle Code. Seconded by Councilman Charboneau. Motion carried unanimously.

- **First Reading – An Ordinance to Amend Section 70.01 General Provisions, Uniform Traffic Code**

Councilman McCauslin moved to schedule a Public Hearing for Tuesday, November 28, 2006 at 7:00 p.m. in the City Council Chambers for consideration of an Ordinance to amend Section 70.01, General Provisions, Uniform Traffic Code. Seconded by Councilman Tebo. Motion carried unanimously.

## **Boards and Commission Reports**

- **Department of Public Safety Monthly Statistics – September 2006**

The Department of Public Safety Monthly Statistics for September 2006 were received and reviewed.

- **Regular City Planning Commission Meeting – October 16, 2006**

City Manager McNeil reported that there were three items of note at the Planning Commission meeting, which included the review of two different proposed Ordinances; one being a Planned Unit Development Ordinance that the Planning Commission intends to recommend to Council that would replace the current Planned Project Ordinance within the City. The Planning Commission is also taking a look at an Ordinance that would control storm water flow. City Manager McNeil commented that those Ordinances continue to be reviewed by the Planning Commission and will be presented to Council for consideration by the end of the year. He reported that the Planning Commission is also beginning work on the Riverfront Development Plan and expects to continue with that during the next twelve to eighteen months as the project is quite an undertaking and will be on their agenda for some time.

## Resolutions

- **Resolution Opposing Proposal 2006-05; The K-16 Spending Mandate**

Councilman Tebo moved to adopt the Resolution Opposing Proposal 2006-05; The K-16 Spending Mandate. Seconded by Councilman McCauslin.

Yes votes: Councilman Chlopan, Tebo, McCauslin, Muschell and Boardman

No votes: Councilman Charboneau and Councilwoman Riddle

Motion carried.

- **Resolution in Opposition to HB 6456 (Cable Franchise Bill)**

Councilman McCauslin explained that House Bill 6456 will allow cable providers to terminate their current contracts at will with no discussion with local municipalities and will reduce local community resources by approximately \$42 million statewide. He added that HB 6456 will also allow providers to selectively choose neighborhoods and homes for service and to place anything they want on public easements without guaranteeing that service to the resident where the service is located. Councilman McCauslin stated that this is a poorly written bill that only benefits the cable companies that set up these services with negative impact on in-kind services, right of way issues, and revenue.

Additionally, HB 6456 offers no consumer service safeguards. Councilman McCauslin recommended that because of negative impact, Council should adopt a resolution in opposition to House Bill 6456.

Councilman McCauslin moved to adopt the Resolution in Opposition to House Bill 6456. Seconded by Councilman Tebo. Motion carried unanimously.

Councilwoman Riddle congratulated Councilman McCauslin for his presentation on House Bill 6456, and requested that he also provide a report on Proposal 2006-05. She noted that there was no comment on this particular Resolution before Council voted on it, which is why she voted no. Councilman McCauslin stated that the K-16 Spending Mandate is highly regarded by the Municipal League as unconstitutional because the Governor and House of Representatives is not supposed to bring any budget items forward for voting without a plan on how to cover the spending, and that this is an unspecified money allotment. He explained that between \$565 and \$750 million annually would go to schools K-16 and that the Michigan Education Association, who sponsored the writing of this proposal, wants to group colleges along with primary education and high schools, which are completely different entities that are funded entirely differently. Councilman McCauslin stated that of the \$565 to \$750 million amount set aside annually, the only delineated item is \$357 million that would be allocated annually to the teachers' pension fund, and that there is no specific allocation toward books, physical plant expenses, or property maintenance. Councilman Tebo stated that the proposal also takes funds away from law enforcement. Councilman McCauslin explained that local governments are capped at 14% of their local contribution and the remainder must come from the State's General Fund. Other items funded through the General Fund, which is shrinking, include Fire and Police Departments, and revenue sharing the City uses which has already been cut at least 20% over the last few years. Additionally, social services, food stamps, and Michigan health will have to be cut to fund this program, which is why we cannot do it. Councilman McCauslin noted that it is a wonderful idea to say the schools will receive a set amount of money every year and account for inflation but the Bill, as written, is stealing from everyone in this State and over 50% of that money taken is going to go into a union pension fund. He commented that is wrong. Councilwoman Riddle stated that is a very important proposal for people to be aware of to make an informed decision. Councilman McCauslin stated that there are two entities in favor of this proposal and include the

Michigan Education Association and the Michigan Family for Education, which is an MEA spin-off. He added that the entities that are against the way the proposal is written include colleges and school districts that are among 57 entities on the list he has available. Council thanked Councilman McCauslin for his report.

### **General Business**

- **Consideration of Community Development Plan pursuant to a CDBG Grant Application Requirement**

City Manager McNeil explained that a notice of intent was submitted to replace water mains with primary funding from a Community Development Block Grant program which is what CDBG stands for. He stated that the City was given notice of award based on that notice of intent to proceed with the project, and the City now has been invited to submit a full application in order to qualify for those funds. One of the requirements of the grant application is that the City must develop a Community Development Plan and specifically address the needs of low to moderate income persons. City Manager McNeil stated that he has put together a Community Development Plan that he believes meets the criteria of the grant application. Council will note that he reviewed and cited the City Planning documents as information used to develop the Plan, as well as some regional documents that he consulted in order to identify issues important to low and moderate income persons. Council will also see in the Plan, long term activities that mirror goals and objects of the City's Strategic Plan and Land Use Plan, as well as information that came out of these regional documents relative to needs of low and moderate income persons such as employment, housing and recreational opportunities. Long term and short term activities have been listed, which is part of the criteria that officials from the Community Block Grant Program are looking for, as well as formal approval of this Plan by the City Council. City Manager McNeil commented that the purpose of this Plan is for them to see that the City has some kind of vision and that the grant application and the things that the City is asking them to fund actually fit the vision in this Plan, which it clearly does. He added that the Community Development Plan fits our Strategic Plan and many of the objectives that we have been looking to do.

Councilman Chlopan moved to adopt the Community Development Plan pursuant to a CDBG Grant Application requirement. Seconded by Councilman Charboneau. Motion carried unanimously.

- **Consideration of Snowmobile Route Amendment on City Streets**

City Manager McNeil deferred to Chief Jones, Director of Public Safety for a report. He noted for the benefit of the public that color coded maps are available on the side table to illustrate what is being proposed as well as the large map being presented. Chief Jones provided an overview of the proposed route expansion of City streets that he is recommending for use in connection to the DNR snowmobile trail that passes through the City of Cheboygan on the former D&M Railroad property. He commented that he is requesting that Council authorize this proposed route expansion on a trial basis for the 2006-07 snowmobile season. Chief Jones added that snowmobilers would be required to operate under the existing City speed limit which applies to City streets allowing 15 miles per hour or the minimum speed necessary to maintain a forward motion traveling on the right-hand side of the street. Chief Jones noted that there have been requests from area merchants as well as snowmobile enthusiasts to provide more access to the downtown area. Additionally, some assistance may be needed from the various snowmobile groups and trail-groomers to assist the DPW in maintaining snow or ice trails on the edges of the City streets. He added that some temporary no parking areas may be needed on a seasonal basis, depending on the need for a groomed trail area. Chief Jones

stated that there has been some discussion at the Recreation Commission level to access City streets and that the most significant change is the activity on West State Street. He added that for the last five years, Division Street to the Huron Street parking lot was used as an access and would be extended one block to Water Street. Additionally, Taylor Street has been a common route to access gas stations and that Pine Street, Elm Street and Division Street should give access to restaurants and social establishments in the downtown area. Councilwoman Riddle asked if there has been much discussion with the Department of Public Works on how difficult that will be for them to maintain those streets. Chief Jones replied that is addressed every year and it is going to be difficult, which is why assistance will be needed from the trail-groomers. He explained that the DPW does not have a considerable problem leaving snow for a trail, but they do not have the equipment to groom and maintain a trail. The DPW has been maintaining Division Street somewhat and Lincoln Avenue the past few winters but much of that depends on snowfall, which has not been significant the last few years, and they do have some difficulties. Councilwoman Riddle asked if there has been discussion with the trail-grooming organizations. Chief Jones replied that he had some brief discussions with one of the trail-groomers but has not talked to them as a group yet. He explained that he and DPW Superintendent LaCross have discussed this and there are other concerns; primarily, establishing some no parking zones. Chief Jones commented that the reason these issues need to be addressed now is that some of the businesses may have concerns, such as the number of people that park on the west side of Huron Street to access a couple restaurants early in the morning. He explained that those individuals would ultimately have to park on the east side of Huron Street or at the City Hall/Opera House parking lot because the west side of Huron Street is a section where the snow would need to be maintained. Additionally, all the driveways along that stretch would need to be opened and there will be a few more minor details needing attention.

Councilman Chlopan moved to approve the snowmobile route amendment for expansion of City streets for use in connection to the DNR snowmobile trail for 2006-2007 on a trial basis. Seconded by Councilman McCauslin. Motion carried unanimously.

Mr. Jim Rausch introduced himself, commenting that opening more trails is appreciated; however, snow must be left on the roadside. Councilwoman Riddle commented that is why the discussion has taken place to leave snow on the side of the roads, adding that this has been done on Lincoln Avenue and we are needing to expand that to the benefit of the citizens driving and walking and also to snowmobile enthusiasts. Mr. Rausch commented that the trail expansion is downtown right where there is parking and he does not feel that citizens will give up their parking place for snowmobilers. City Manager McNeil stated that to expand on some of these comments, the City will need to come up with a plan and should notify people if parking spaces will be eliminated in order to allow some comment once that plan is fully developed. Additionally, the City needs to invest in attractive and functional signage, and will have to come up with some recommendations in that regard and present to Council. Mr. Rausch commented that with the addition of the new trail that is supposed to open, there will be a lot more snowmobilers here this year. Councilwoman Riddle stated that she is pleased that the comment was made that this is a trial basis for 2006/2007 so that adjustments can be made and areas where there are difficulties can be addressed.

Mr. Chris VanFleet introduced himself and commented that he represents the Cheboygan Area Tourist Bureau which is comprised of motels in Cheboygan. He commented that the Tourist Bureau feels it is very important to have the most direct route possible off of the main trail into the City limits with signage and proper snow on the roads. He added that it would also help from a safety standpoint for snowmobilers to be able to stay on the snow instead of the streets. Mr. VanFleet

commented that funds could be allocated through the Tourist Bureau to assist with signage or other needs. City Manager McNeil commented he would be pleased to attend a Tourist Bureau meeting for further discussion. Council thanked Mr. VanFleet for his comments and offer of assistance.

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

- **General Election – November 7, 2006**

Clerk/Treasurer Kwiatkowski mentioned the General Election being held on November 7, 2006, adding that if the absentee balloting process is any indication, the election will have very good participation. He added that sample ballots are available if anyone has questions regarding the candidates or proposals.

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

- **Eminent Domain Ballot Proposal**

City Manager McNeil referred Council to an article from the most recent issue of Planning & Zoning News that was written by Mr. Thomas Schultz, a land use attorney, with regard to eminent domain. Mr. Schultz provides his review of the Eminent Domain ballot proposal which provides for constitutional change in the way that government would condemn property for public purposes. He commented that it appears that based not only on this article, but others he has read as well, and the proposal itself, the proposal or the constitutional change goes beyond addressing the taking of property for private purposes. One of the things the legislature did in putting this together is reacted to a Supreme Court decision, specifically the Kelo Case, where a city condemned property so that a company could come in and locate, create jobs and economic development, and the Supreme Court declared that is a public purpose and was therefore able to do that under eminent domain. City Manager McNeil commented there have been reactions from many states to change their laws so that cannot happen. He noted that in reading this, it appears that the current ballot proposal goes beyond that particular premise and not only is there language in there which appears to codify a Michigan Supreme Court decision saying that things like that are not a public purpose, it goes beyond that to place additional burdens on local governments for condemning property for public purposes including adding costs in the event a principle residence is condemned, which ultimately means that the cost to tax payers of public projects will increase. Councilwoman Riddle asked if there is any reference in terms of abandonment by property owners such as non-involvement with the property, no improvements or moves to try and sell the property. City Manager McNeil stated that the only issue of abandonment that he could identify is non-payment of property taxes.

- **MDOT Public Information Meetings of October 12, 2006**

City Manager McNeil stated that MDOT was here on October 12 to hold public information meetings regarding the proposed project for M-27 in 2009, and basically laid out their thoughts and outline of the project. He explained that the scope of the project extends from Lincoln Avenue north to Mackinaw Avenue. MDOT has proposed to do a mill and overlay from approximately Nelson Street south with new curb and sidewalk, and a complete rebuild from Nelson Street north to Mackinaw Avenue. City Manager McNeil stated that MDOT officials currently believe that will include a complete tear-out of all the sidewalks and street-scaping that was done approximately ten years ago, to establish new curb heights and things of that nature, although that is yet to be determined. City Manager McNeil commented he was hoping there would be more attendance from property owners along the area, adding there were three represented in the afternoon session and another three in the evening session. He explained that one of the major items of discussion was that MDOT was looking for some feedback with regard to how the rebuild section should be handled. They offered

alternatives relative to simply closing the entire area and completing the project as quickly as possible, or maintaining one-way traffic or some other level of traffic which would take longer but would allow through traffic in that area. The general consensus of those present at the meetings was that the best option would be to just close off the entire area and complete the work as quickly as possible. MDOT officials estimate that with weather cooperating, the rebuild portion of the project could be done and the area open to traffic by July 4<sup>th</sup>. Councilwoman Riddle questioned the information from MDOT that indicates the streetscape project on Main Street would have to be torn out. City Manager McNeil indicated that is correct. Councilwoman Riddle asked if there was discussion with MDOT before the streetscape was done and if there was an indication that the streetscape would not be affected by road reconstruction later on. City Manager McNeil commented that he is unsure if a complete rebuild was contemplated at that time as it is now, adding that when the City discussed the proposed streetscape with MDOT officials in the mid-1990's, a mill and surface project was anticipated. He stated that MDOT initially allocated some funds toward the mill and surface but there were some challenges with that project where there was difficulty getting the curb heights in relationship to the floor levels to meet the crown of the road, and it took quite a while to work through those issues and get them into a design that we believed would work. In fact, MDOT allowed the City to vary from their standard specifications in order to make this project work. Additionally, during that period of time, the estimated cost of asphalt increased and MDOT was not able to allocate any more funds so basically MDOT advised proceeding with the project and they would fix the street later. Since that time, MDOT determined that a complete rebuild is necessary and then as such, the sidewalk curb heights would have to be re-established based on their standard specifications for a street slope or street crown. Councilman Chlopan commented that the amount of sidewalk that needs to be pulled up to put the water mains in may be overestimated, and he would not be surprised if the project would be done by the fourth of July. Additionally, there may be enough funds left over from the funds allocated with this project, to put toward another project. City Manager McNeil commented that MDOT is offering the worse case scenario right now and waiting to see how things work out as they go. He added that from now to approximately the next eight to ten months, MDOT will be working on preliminary plans.

- **Meeting with DNR on October 19, 2006 – re: Proposed Trail Head**

City Manager McNeil stated that he met with DNR officials with regard to the proposed trail head in the City of Cheboygan. He explained that the DNR has purchased the former Center Tool site, which is adjacent to the trail, and they are looking to put a trail head facility there. The scenario presented to him at this meeting is that the State could provide the funding for this project, including the cost for design and construction, but they are proposing the City provide the maintenance of the facility after construction is completed. City Manager McNeil commented that the DNR is also proposing to lease the property to the City and that the City be the administrator of the design and construction program through the lease agreement. He added that DNR officials provided a draft of the lease agreement which he is reviewing and the City Attorney will be reviewing as well. Additionally, DPW Superintendent LaCross and Parks & Recreation Director Hancock were at that meeting as well because ultimately they will be in charge of some of the maintenance responsibilities that the City would agree to if we proceed down this path. City Manager McNeil commented that this seems to be a favorable arrangement in which the State would provide a quality trail facility, which from a conceptual standpoint, would include parking for those using the trail with snowmobiles or bicycles as well as informational kiosks and a park-style atmosphere, so it could be a nice public facility put in almost entirely by State funds. The City would be charged with maintenance and care of the facility throughout the period of the lease agreement, which he believes to be for twenty years. City Manager

McNeil commented that discussion is proceeding along those lines and anything official by way of agreements will come forth later on.

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

- **Lincoln Avenue Bridge Update**

Mayor Muschell noted that the Lincoln Bridge permit was not signed by the Coast Guard on Monday as anticipated but is expected to be signed on Thursday, and that he would be contacted when the document is signed.

- **Snowmobile Trail Signage**

Mr. Jim Rausch commented on the snowmobile trail, noting the importance of proper signage for area gas stations and restaurants, and recommended signage that can be read from both sides for better visibility.

**Adjournment**

Councilman Charboneau moved to adjourn the meeting at 8:38 p.m. Seconded by Councilman McCauslin. 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

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Councilman William E. Chlopan