

REGULAR CITY COUNCIL MEETING
February 12, 2008

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 Boardman, Tebo, Lepp, Riddle, Sangster, and Muschell

Councilman Boardman led the Pledge of Allegiance to the Flag.

Councilman Tebo moved to excuse Councilman Charboneau due to illness. Seconded by Councilman Boardman. Motion carried unanimously.

Approval of Agenda and Receive and File all Communications

Mayor Muschell noted an addition to the agenda under 7.B. Communications and Petitions – Letter of Resignation from Ray Morrow, Jr. from the Planning Commission and Zoning Board of Appeals.

Councilman Sangster moved to approve the agenda as amended and receive and file all communications. Seconded by Councilwoman Lepp. Motion carried unanimously.

Correction and Approval of Prior Meeting Minutes

- **Regular City Council Meeting – January 22, 2008**

Councilman Boardman moved to approve the minutes of the January 22, 2008 Regular City Council Meeting as presented. Seconded by Councilwoman Lepp. Motion carried unanimously.

Public Comments

Public comment portion of the meeting opened by Mayor Muschell.

Mr. Bob Boyea indicated an interest in speaking during discussion of 11.B. – Consideration to Set Special Meeting for Tuesday, February 19, 2008 at 7:00 p.m. – re: Review and Discussion regarding Amendment to Zoning Ordinance to Allow Compliance Review by City Council of Use Permits Approved by City Council as Opposed to the Zoning Administrator.

There being no other comments from the public, the Public comment portion of the meeting was closed by Mayor Muschell.

Communications and Petitions

- **Letter from Lois Valley – re: Mandatory Sidewalk Clearing – E. State Street to East Side School**

Mayor Muschell read the letter from Ms. Lois Valley regarding mandatory sidewalk clearing of East State Street to East Side Elementary School. City Manager McNeil stated that the Department of Public Works clears that particular section most of the time although at times, the area is not cleared. Councilman Tebo asked what sections of sidewalks are required for clearing. He commented on the number complaints that the Ordinance pertaining to clearing sidewalks is not enforced, causing pedestrians to walk in the streets. City Manager McNeil explained that mandatory clearing of sidewalks pertains to primarily those within the DDA District and that the sidewalks in the East Side Elementary School area are not included. Additionally, enforcement of that particular Ordinance has not been a top priority. Clerk/Treasurer Kwiatkowski noted that Ms. Valley's primary concern is

children walking in the street in the dark. Councilwoman Riddle stated she would like to see an area of approximately two or three blocks around the public schools that would be maintained because the schools have the largest influx of pedestrian traffic and clearing the sidewalks could make students more inclined to use sidewalks instead of the roads. City Manager McNeil stated that arrangement would be difficult for the Department of Public Works to maintain given the current staff level. Councilman Tebo stated the schools should take some responsibility in keeping sidewalks in their vicinity clear and that snow removal should be a cooperative effort between the City and the schools. Councilwoman Riddle asked how expenses for maintaining the snow removal on Main Street are reimbursed. City Manager McNeil explained that the City is reimbursed by the Michigan Department of Transportation relative to maintenance of the State trunk-lines including snow removal. Councilwoman Riddle commented that property owners along Main Street remove snow from sidewalks onto Main Street which causes the parking areas and sidewalks to fill with snow and slush. She asked if there is any way to correct that situation. City Manager McNeil commented that he does not see how that can be corrected. He explained that snow removal is usually a two day process and it is imperative that DPW staff plow in the early morning before parking increases.

- **Letter of Resignation from Ray Morrow, Jr. from the Planning Commission, Zoning Board of Appeals, and International Property Maintenance Code Board of Appeals**

Mayor Muschell read the letter of resignation from Mr. Ray Morrow, Jr.

Councilman Tebo moved to accept with regret, the resignation of Ray Morrow, Jr. from the Planning Commission, Zoning Board of Appeals, and International Property Maintenance Code Board of Appeals. Additionally, that City Manager McNeil prepare a letter of appreciation for his years of service on these Boards to be signed by the Mayor and City Council. Seconded by Councilwoman Riddle. Motion carried unanimously.

Bills and Disbursements

- **Bills and Disbursements for the Month of January 2008**

Councilman Sangster asked if the determination of these bills come from department heads. Clerk/Treasurer Kwiatkowski explained that each department has their own budget and department heads monitor expenses very closely. He added that approval is required from City Manager McNeil if expenses exceed a particular budget. Clerk/Treasurer Kwiatkowski stated that he also ensures these expenses are approved.

Councilman Tebo moved to approve the bills and disbursements for the month of January 2008 in the amount of \$836,363.35. Seconded by Councilwoman Lepp. Mayor Muschell abstained from voting. Motion carried unanimously with one abstention.

Boards and Commission Reports

- **Regular City Planning Commission Meeting – January 21, 2008**
 - **Consideration of Recommendation to Amend the Planned Unit Development Ordinance to Eliminate the Minimum Parcel Size Requirement and Set a Public Hearing for Tuesday, March 11, 2008**

City Manager McNeil stated that the primary focus of the Planning Commission was a review of the Planned Unit Development Ordinance and specifically, the minimum requirement of a three acre parcel within that Ordinance. He explained that currently, any property smaller than a three acre parcel could not be considered under the Planned Unit Development Ordinance. Additionally, the Ordinance is intended to add some flexibility and provide a mixture of different uses and in this particular case,

the Planning Commission was reviewing a zoning request to convert a multi-family use which is an apartment complex in a Tourist Service (T-1) zone, to a single family ownership condominium. He explained that in order to do that under current zoning, the property owner would have to obtain a multi-family zoning designation. City Manager McNeil also explained that the Planning Commission reviewed the Land Use Plan and did not like that particular zoning change but was very much in favor of the use change. The Commission then reviewed the Planned Unit Development Ordinance and whether that could apply in facilitating that particular use change and discovered that it did with the exception that the land size requirement would not be able to be met. City Manager McNeil stated that the Planning Commission studied that issue at their following meeting and the elements of what projects might fall under Planned Unit Development and the minimum size requirement and how restrictive that might be. The Planning Commission decided that they did not believe the minimum size requirement needed to apply and that the uses that may come forward from a developer under the Planned Unit Development Ordinance might better drive the need for the size of the property. City Manager McNeil commented that the Planning Commission recommends that the minimum size requirement be removed from the Ordinance, adding that if Council would like to formally consider that recommendation, a public hearing could be set for March 11, 2008.

Councilman Tebo moved to set a public hearing for Tuesday, March 11, 2008 to consider an amendment to the Planned Unit Development Ordinance to eliminate the minimal parcel size requirement. Seconded by Councilman Sangster. Motion carried unanimously.

Councilwoman Riddle asked when the minimum parcel size requirement was established. City Manager McNeil stated that the Planned Unit Development Ordinance was adopted within the past year to year and a half.

- **Regular Downtown Development Authority Board of Directors – February 5, 2008**

City Manager McNeil reported that the main focus at this particular DDA meeting was a complete review of the scope of work of the Downtown Enhancement Administrator. He explained that the Enhancement Administrator requested that each DDA Board Member complete a survey by rating the effectiveness of each component pertaining to her scope of work. The Board reviewed the survey results in detail and provided recommendations on how some of the programs may be changed. City Manager McNeil commented on the discussions pertaining to discontinuing evening business hours for downtown merchants and the appropriation for a downtown foot patrol officer for the upcoming summer season. He noted that the foot patrol officer appropriation resulted in a split decision by the DDA Board and as a result, the Board requested that a survey of downtown business owners be conducted relative to their perceived effectiveness of that program for further discussion at the next DDA meeting. City Manager McNeil noted that the DDA Board also approved a resolution for solicitation of bids on the bonds that will produce the matching funds for the Vibrant Small Cities Grant and that the results of the bids relative to that solicitation will be before the DDA Board at their next meeting.

Resolutions

- **Consideration of Authorizing Resolution – City of Cheboygan 2007 Vibrant Small Cities Initiative**

City Manager McNeil stated that the focus of the Vibrant Small Cities Initiative grant has been changed to a downtown planning component with the remainder of the available funding put toward recommendations of that plan. He noted that the proposed authorizing resolution specifically mentions the particular programs which are administered through the Michigan State Housing Development

Authority who is providing the grant funds. Councilman Tebo moved to adopt the Authorizing Resolution – City of Cheboygan 2007 Vibrant Small Cities Initiative as presented. Seconded by Councilman Boardman. Motion carried unanimously.

- **Consideration of Local Governing Body Resolution for Charitable Gaming Licenses for the Rivertown Follies, Inc.**

Councilman Sangster moved to adopt the Local Governing Body Resolution for Charitable Gaming Licenses for the Rivertown Follies, Inc. Seconded by Councilwoman Lepp. Motion carried unanimously.

General Business

- **Consideration of Letter to Family of Joseph Doyle**

Councilman Boardman moved to approve the letter to the family of Joseph Doyle as presented. Seconded by Councilman Sangster. Motion carried unanimously.

- **Consideration to Set Special Meeting for Tuesday, February 19, 2008 at 7:00 p.m. – re: Review and Discussion regarding Amendment to Zoning Ordinance to Allow Compliance Review by City Council of Use Permits Approved by City Council as Opposed to the Zoning Administrator**

City Manager McNeil stated that he and the City Attorney discussed this particular issue and the conditions relative to changing the Ordinance and what some of the affects and results would be. He noted that a series of questions was developed and the attorney has some concerns and also wants to ensure that he is clear on what Council intends and that Council is clear on what the legal aspects are in his opinion. City Manager McNeil stated that in order to properly do that they are recommending that a Special City Council meeting dedicated solely to this issue be held on February 19, 2008 at 7:00 p.m. Councilman Tebo requested the meeting begin at 6:00 p.m. Council discussed the issue and agreed on setting the meeting for 6:00 p.m. Mr. Bob Boyea asked if the Special City Council meeting is intended to resolve old business or will the meeting address strictly new business. City Manager McNeil explained that Council has initiated this action based on their concerns on review of one particular permit so that is one of the things that will have to be spelled out in the Ordinance and one of the things the attorney wants to talk about to make sure that everything is clearly put in the way that Council intends and Council understands all the legal ramifications. Mr. Boyea commented on changing the Ordinance for a prior decision, adding that Council should use the system in place that has worked all these years. Councilman Sangster noted that the intention is to put more checks and balances in place so that the entire City Council, rather than one person, is involved. Mr. Boyea stated that City Manager McNeil has all the resources and information available and based on that, he should be able to provide a determination. Councilwoman Lepp noted that the Special City Council meeting will determine whether or not to change the system that is in place, not actually address prior issues such as the fish market. City Manager McNeil explained that with regard to the areas of the Ordinance where Council provides approvals either by determining similar character or site plan approval, the City Attorney wants to make sure that Council realizes where the recourse is for the permit recipient and what the differences are. Councilwoman Riddle agreed that Council should be aware of the ramifications of these decisions. Mr. Boyea reiterated that changes should affect new business forward and not be initiated to resolve previous issues.

Ms. Janet Gahn introduced herself and commented on the occasions where individuals created problems after site plan approval was granted and instead of abiding by the rules in place, continued with the project and then requested that the Zoning Board of Appeals remedy the matter so that the

project is in compliance. She commented on the similarity between those issues and this particular case of possibly amending an Ordinance to resolve a problem. Ms. Gahn questioned how many others will follow if Council proceeds with an amendment.

Councilman Tebo moved to set a Special Meeting for Tuesday, February 19, 2008 at 6:00 p.m. for review and discussion regarding amendment to the Zoning Ordinance to allow compliance review by City Council of use permits approved by City Council as opposed to the Zoning Administrator. Seconded by Councilman Sangster. Motion carried unanimously.

- **Consideration to Set a Public Hearing for Tuesday, February 26, 2008 for Consideration of Brownfield Plan and Act 381 Work Plan regarding New Calcite Credit Union Development**

City Manager McNeil referred Council to the draft meeting minutes of the Brownfield Redevelopment Authority Board meeting of February 11, 2008, commenting that the Brownfield Authority heard a presentation from consultant Mac McClelland of Otwell Mawby regarding the EPA Assessment Grants received by Cheboygan County. He explained that the goal of the grant program is to position property for redevelopment and what is presented here is the first project to come forward through that particular initiative. City Manager McNeil commented that the Brownfield Authority heard the conditions of the property which has been impacted by migrating underground fuel from the neighboring property and there are also issues relative to removing water from the site in order to facilitate construction. He added that the water needs to be treated and contaminated soil removed, and that there are also concerns of vapors as a result of the contaminated soil that could cause problems and possibly need to be dealt with as well. City Manager McNeil noted that costs relative to that as well as administrative costs have been estimated and through approval of a Brownfield plan, the developer, which is Calcite Credit Union, can proceed with development, provide funding for clean up and then have that particular clean up cost reimbursed to them out of the new property taxes created by the development. He explained that the Act 381 work plan is an additional plan that must be done to collect the State Education Tax component. City Manager McNeil stated that the Brownfield Authority reviewed, discussed and approved the plan and is recommending that Council schedule a public hearing for February 26, 2008 in order to consider both of these plans. Councilwoman Riddle commented on the location of the fuel tanks at the Holiday gas station. City Manager McNeil explained that there was a release some time ago and this property has been impacted as a result of that release.

Councilman Sangster moved to schedule a Public Hearing for Tuesday, February 26, 2008 for consideration of Brownfield Plan and Act 381 Work Plan regarding the new Calcite Credit Union development. Seconded by Councilman Tebo. Motion carried unanimously.

City Clerk's and Treasurer's Comments

- **Nominating Petitions**

Clerk/Treasurer Kwiatkowski stated that nominating petitions are now available for position of Mayor and three Council seats, adding that March 11, 2008 at 4:00 p.m. is the deadline for submitting the nominating petitions. He noted that nominating petitions must contain between 25 and 50 signatures of registered voters within the City of Cheboygan.

City Manager's Report

- **NLEA – Business Incubator Network Study**

City Manager McNeil stated that the Northern Lakes Economic Alliance received a grant to study the needs and what would have to be put in place relative to new business development and existing business support. He commented that one of the things this study will do is identify need and as the NLEA begins collecting information relative to the study, the focus will be placed on people who either have an existing business they want to expand or have an idea of a business they would like to start. City Manager McNeil explained that the whole idea is to surround that entrepreneur or existing business that wants to expand with the support they need. He stated that support could take the form of identifying space to do business, establishing a network of support people such as those with legal, accounting or marketing expertise that would help develop a business plan, identify weaknesses and strengths, and whether the business concept is realistic or not, and bringing all that together. City Manager McNeil commented on the need to identify anyone that would benefit from this program.

- **Citizens Indoor Swimming Pool Committee Meeting – February 13, 2008 – 5:00 p.m.**

City Manager McNeil stated that with regard to the indoor swimming pool effort as a result of the gift to the City, the first meeting of a small core group will be held in his office on February 13, 2008 at 5:00 p.m. He added that anyone having an interest in that effort is encouraged to attend.

Messages and Communications from Mayor and Council Members

- **Wanigan Festival**

Councilman Sangster stated that he is a member of the Wanigan Festival Committee who plans to petition the Cheboygan County Commissioners with a request to relocate the Wanigan Festival to the Fairgrounds. He explained the various activities, noting more activities will be added and that restrooms and camping facilities are all in place at the Fairgrounds and that the finish line for the race is also in close proximity to the event. Councilman Sangster commented that the Committee is also looking to come before the City Council on behalf of the Jaycees with a request for support in relocating the Festival.

Councilman Tebo moved to draft a letter of support from the City Council recommending that the Wanigan Festival activities be relocated to the Cheboygan County Fairgrounds. Seconded by Councilman Boardman. Councilman Sangster abstained. Motion carried.

- **Proposed Veterans Clinic**

Councilman Tebo stated that a petition has been circulated to establish a potential Veterans Clinic in Cheboygan and requested that a letter of support from the City Council be drafted and directed to the proper authorities.

Councilman Tebo moved to provide a letter of support on behalf of the City Council for the establishment of a potential Veterans Clinic in Cheboygan. Seconded by Councilman Boardman. Motion carried unanimously.

- **Sidewalk Clearing**

Mrs. Trudy Lofgren questioned if Ms. Lois Valley will receive a response to her request regarding the mandatory sidewalk clearing from East State Street to East Side Elementary School. City Manager McNeil commented that no action was taken by Council but it is his understanding that Ms. Valley will be contacting him as a follow up.

Closed Session

- **City Manager Annual Evaluation (per request of the City Manager)**

Councilman Tebo moved to adjourn to closed session at 8:00 p.m. to conduct the annual evaluation of City Manager McNeil. Seconded by Councilman Boardman. Motion carried unanimously.

Councilman Tebo moved to reconvene the meeting from closed session at 8:24 p.m. Seconded by Councilman Boardman. Motion carried unanimously.

Councilman Tebo moved to approve a 3% salary increase for City Manager McNeil based on his performance evaluation, with half of that increase returned to the City toward health insurance premiums. Seconded by Councilwoman Lepp. Motion carried unanimously.

Adjournment

Councilwoman Riddle moved to adjourn the meeting at 8:26 p.m. Seconded by Councilman Boardman. Motion carried unanimously.

Mayor James Muschell

City Clerk Kenneth J. Kwiatkowski

Councilman Richard B. Sangster

Councilman Gerald R. Boardman

Councilwoman Winifred L. Riddle

Councilman Charles Charboneau

Councilman Leslie A. Tebo

Councilwoman Theo Lepp