

**REGULAR CITY COUNCIL MEETING**  
**September 8, 2009**

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

Present: Council Members Bronson, VanFleet, Lepp, Jewell, Sangster, Couture and Kopernik

Councilman Jewell led the Pledge of Allegiance to the Flag.

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

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

**Correction and Approval of Prior Meeting Minutes**

- **Regular City Council Meeting – July 28, 2009**

Councilwoman Lepp moved to approve the minutes of the July 28, 2009 Regular City Council Meeting as presented. Seconded by Councilman Kopernik. Motion carried unanimously.

**Public Comments**

Public comment portion of the meeting opened by Mayor Sangster.

- **Council Attendance at Community Functions**

Mrs. Trudy Lofgren introduced herself and commended Council for attendance at community functions. She noted that she will comment later in the meeting on some expenses when the bills and disbursements are discussed.

- **City Council Meeting Minutes**

Mr. Ray Lofgren commented on the availability of Council meeting minutes. Mayor Sangster explained that delay in providing meeting minutes could be attributed to additional Special City Council meetings. City Manager McNeil added that more meetings, a lot more discussion, and the verbatim nature of the minutes take longer to produce.

Public comment portion of the meeting closed by Mayor Sangster.

**Communications and Petitions**

- **Consideration of a Request from The Cheboygan Salmon Tournament and The Cheboygan Area Sports Fishermen to hold 12<sup>th</sup> Annual Cheboygan Salmon Tournament on August 6, 7 & 8, 2010 at the Joseph Doyle Recreation Area/Gordon Turner Park**

Councilwoman Lepp commented on the increased participation and draw to the community that the Salmon Tournament provides.

Councilwoman Lepp moved to approve the request from The Cheboygan Salmon Tournament and The Cheboygan Area Sports Fishermen to hold 12<sup>th</sup> Annual Cheboygan Salmon Tournament on August 6, 7 & 8, 2010 at the Joseph Doyle Recreation Area/Gordon Turner Park. Seconded by Councilman Couture. Motion carried unanimously.

## **Bills and Disbursements**

### **• Pre-paid Bills and Disbursements for the Month of August 2009**

Councilman Kopernik questioned item 35 Hunters Exchange Television, Inc. Advertising Salmon Tournament in the amount of \$1,000. City Manager McNeil stated that the DDA bought some ads that came out of the marketing budget showcasing the Cheboygan area. Mayor Sangster referred to item 37 Kreis, Enderle, Hudgins & Borsos – Great Lakes Tissue Legal Fees – grant reimbursable in the amount of \$16,615.17. City Manager McNeil commented that grant funds are still paying legal fees and the City is fully reimbursed. He explained that this pertains to bankruptcy proceedings relative to Great Lakes Tissue. Councilman VanFleet questioned items 46 and 47 LiveStatue – Entertainment, Sidewalk Sales in the amount of \$400 and Timothy Whitmore – Cancellation Charge, Sidewalk Sales Band in the amount of \$50. City Manager McNeil explained that those expenses are from the Downtown Enhancement Administrator’s budget. Councilman Kopernik questioned item 45 Wells Fargo – Tax Overpayment Refund in the amount of \$1,487.77. Clerk/Treasurer Kwiatkowski explained the bulk payment of property taxes and that occasionally a property tax has already been paid and is therefore refunded to the mortgage company. Mrs. Lofgren referred to item 76 Thrun Law Firm, P.C. – Bond Counsel Fee, DDA in the amount of \$6,950 and questioned if a law firm is involved any time a bond is issued. City Manager McNeil stated that there are certain legal examinations required and the attorney develops a resolution based on the way the bonds are structured and certain requirements of the purchasers. He added that the fee is a percentage of the issuance. Mr. Richard Lemorie questioned items 57 and 58 Moran Iron Works, Inc. – Bio-disk Installation Labor, WWTP in the amount of \$34,750 and RBC Shaft Installation in the amount of \$180. He asked why the expenses are not combined. Clerk/Treasurer Kwiatkowski explained that these were two different expenses; the main invoice being the bio-disk installation and the second expense pertaining to anchor replacement. Discussion was held regarding items 68 and 69 Ellis N. Olson Company – Cemetery Maintenance in the amount of \$2,000 each. Clerk/Treasurer Kwiatkowski explained that Mr. Olson is paid every two weeks.

Councilman Couture moved to approve the pre-paid bills and disbursements for the month of August 2009 in the amount of \$1,337,934.94. Seconded by Councilman Kopernik. Motion carried unanimously.

### **• Unpaid Bills and Disbursements for the Month of August 2009**

Councilwoman Lepp questioned item 13 – Electronics Plus for CD’s, DPS Mixer, and Council in the amount of \$62.76. City Manager McNeil explained that the expense pertains to repair of the microphones and recording system. Councilman Kopernik questioned item 18 Ginop Construction – 250 CU Yds, 22A Gravel, Water & Sewer in the amount of \$3,000. Clerk/Treasurer Kwiatkowski explained that gravel is stockpiled in the event of a water main break or other situation requiring gravel. Councilman VanFleet requested an update on prior discussion regarding bidding out attorney fees. City Manager McNeil commented that the matter would be addressed after resolution of the police services issue. He explained there are legal fees with regard to criminal and corporate side of police issues. Councilman VanFleet questioned the benefit of starting to put that out for bid and gathering numbers. Mayor Sangster commented on delaying any action until later in the fall when ample time can be dedicated to what actually needs to be bid. Councilman VanFleet commented on City Attorney fees for various services. Mrs. Lofgren referred to item 18 – Ginop Construction regarding the purchase of gravel and asked who decides where the material is purchased from and whether bids are initiated from contractors to bring in materials. Clerk/Treasurer Kwiatkowski noted that the DPW Director would determine where materials are purchased. City Manager McNeil commented that depending on the project from time to time quotes are taken internally. Mrs.

Lofgren questioned if Mr. Hoffman has an hourly rate. City Manager McNeil explained that the hourly rate for Mr. Hoffman is \$160. Discussion was held regarding the bid process. City Manager McNeil commented on the written policy that is in place regarding the bid process. Ms. Janet Gahn commented on running a summary of the City Council meeting minutes in the Tribune and that the County runs a small ad that provides a synopsis of the meeting is available at the County Clerk's Office. She asked if that is something the City could consider doing as a cost saving measure rather than publishing a summary of all the motions. Clerk/Treasurer Kwiatkowski stated that is covered under the City Charter and he has discussed the matter with the City Attorney but the Charter states we have to publish a synopsis of the meeting in the newspaper. He added that he would like to provide the minutes on the website only and not publish them at all but so far he has not gotten a favorable opinion. City Manager McNeil commented it is a matter of what is deemed publication. Mayor Sangster asked the cost. Councilman VanFleet indicated that the benefit to putting the minutes on the website is that the entire minutes are available rather than just a synopsis. Clerk/Treasurer Kwiatkowski noted that item 10 Cheboygan Daily Tribune – Minutes & Ads in the amount of \$1,105.20 pertains primarily to full page ads regarding the transportation bonds. He commented that he can run an activity report on the cost of running Council Minutes for the last fiscal year and provide that information at the next Council meeting. Councilwoman Lepp referred to the Prepaid Bills and questioned item 13 Cheboygan Daily Tribune – Ads, DDA in the amount of \$962. Mayor Sangster explained that ad was part of the street closures in the downtown area and other information. Mr. Richard Lemorie referred to DDA line items and asked if those expenses could be separated out because the recapture is not the same as the General Fund. Clerk/Treasurer Kwiatkowski explained that the report is generated when the bills are paid through the accounts payable software and is typically split into many different funds.

Councilman Kopernik moved to approve the unpaid bills and disbursements for the month of August 2009 in the amount of \$35,593.28. Seconded by Councilman Bronson. Motion carried unanimously.

### **Department, Boards and Commission Reports**

- **Regular Downtown Development Authority Board of Directors – September 1, 2009 Resolutions**

City Manager McNeil reported that the DDA Board discussed purchasing a commercial litter vacuum and they continue to consider that along with a recommendation from him relative to its operation which we are proposing to take some part time people out of the Recreation Department and pay for those hours out of the DDA Fund. The DDA was agreeable with that recommendation and they continue to review the purchase of the equipment. Additionally the DDA Board reviewed a progress update relative to the foot bridge and approved the inter-local agreement relative to the Brownfield Plan for the Woolworth building. With that approval the DDA agreed not to capture any new taxes that might be created from some future development there and allow those taxes to go back toward reimbursing of the Brownfield Plan which may be back to the City of Cheboygan. City Manager McNeil stated that the DDA Board also set a special meeting for September 21, 2009 at 5:30 p.m. for representatives of McKenna Associates to present the results of the marketing study, proposed way-finding plan and the Woolworth building site re-use recommendations. Councilwoman Lepp questioned a tentative date for completion of the footbridge. City Manager McNeil replied that completion is anticipated the first part of November. Councilman Bronson questioned the status of the historic mural. City Manager McNeil stated there were some concerns presented to him regarding the care of the mural across from the Credit Union and who owns it and whose responsibility it is to fix it up and no one seems to know. He inquired if the DDA Board if they would be interested in participating financially and repainting that and they indicated they would and

wanted him to check that out and get some information and who the other partners may be for its restoration. Discussion was held regarding ownership and restoration.

- **Consideration of a Resolution in Honor of “75” Years of Community Service by Kiwanis Club of Cheboygan**

Mayor Sangster read the Resolution in Honor of 75 Years of Community Service by the Kiwanis Club of Cheboygan.

Councilman Kopernik moved to adopt a Resolution in Honor of “75” Years of Community Service by Kiwanis Club of Cheboygan. Seconded by Councilman Couture. Motion carried unanimously.

City Manager McNeil mentioned the invitation to attend the community picnic on Sunday, September 20, 2009 from 1-4 p.m. at Washington Park.

- **Consideration of a Resolution to Transfer Ownership of 2009 Resort Class C Licensed Business with Dance-Entertainment Permit from Boat House, Inc. to Ingersoll Investments, Inc.**

Chief Jones provided an overview on the procedure of license transfer from the previous owner to the new owner of the Boat House Restaurant.

Councilwoman Lepp moved to approve the Resolution to Transfer Ownership of 2009 Resort Class C Licensed Business with Dance-Entertainment Permit from Boat House, Inc. to Ingersoll Investments, Inc. Seconded by Councilman Kopernik. Motion carried unanimously.

### **Unfinished Business**

- **Amendment to Nuisance Ordinance – Section 95.02(23)**

City Manager McNeil deferred to Chief Jones for a report. Chief Jones referred to the second draft of the Swimming Pool Ordinance. He read the Ordinance and provided an overview of the changes. Discussion was held regarding restrictions within the Ordinance addressing depth and placement of pools, fencing and liability issues. City Manager McNeil commented that with regard to liability, it has been his experience that cities will be brought into the fray if they fail to enforce an Ordinance that is on the books as opposed to not having an Ordinance. Discussion was held regarding language within the Ordinance. It was noted that the proposed amendment covers what the County does not cover and includes pools from six inches to two feet in depth, with the County covering pools deeper than two feet. A lengthy discussion was also held regarding enforcement and liability.

Councilman Couture moved to repeal Section 95.02 (23) of the Nuisance Ordinance and enact a new Section 95.02(23) that states that any pool shall not be placed on the property in the front portion of the residential lot unless placement elsewhere on the property is authorized by permit from the City Manager. Seconded by Councilman VanFleet. Discussion was held. A roll call vote was taken. Motion carried unanimously.

- **Consideration of Recommendation from Director of Public Safety, ORV Operation on City Streets**

Chief Jones referred to his recommendation that the City Attorney draft a proposed City ORV Ordinance which allows ORV operation on designated City streets. He provided an overview of proposed designated areas for ORV operation within the City. Discussion was held regarding the

guidelines of operation, the current Noise Ordinance, the definition of off-road vehicles, the County ORV Ordinance, and enacting a City ORV Ordinance on a trial basis for re-evaluation in the future.

Councilman Kopernik moved to direct the City Attorney to draft a proposed City ORV Ordinance for Council's review and consideration to include hours of operation and appropriate licensure.

Seconded by Councilman Jewell. A roll call vote was taken.

Yes votes: Council Members Sangster, VanFleet, Jewell, Couture, Lepp and Kopernik

No votes: Councilman Bronson

Motion carried.

### **General Business**

- **Consideration of Reappointment of Christopher Lindsay and Dennis Lindeman to the Downtown Development Authority Board of Directors, Term to Expire September 14, 2013**

Councilman Couture moved to reappoint Christopher Lindsay and Dennis Lindeman to the Downtown Development Authority Board of Directors, Term to Expire September 14, 2013.

Seconded by Councilman Kopernik. Motion carried unanimously.

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

- **City Attorney Rate**

Clerk/Treasurer Kwiatkowski commented on inquiries from other cities regarding rates for the City Attorney, noting that Mr. Hoffman is well within the range. He added that he has the information available for review. Discussion was held regarding legal services. City Manager McNeil commented that proposals for legal services would be taken as opposed to bids because the process and criteria is different.

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

- **Future Budget Revisions and Operation Fund Projection**

City Manager McNeil referred to his memo to Council regarding Future Budget Revisions and the Operation Fund Projections in preparation for discussion. He noted concerns expressed relative to proposed cuts within the Police Department. City Manager McNeil also referred to an Operation Funds Projection that provides a projection based on a seven officer Department and the Chief and having some money left over to apply to future equipment purchases. He pointed out that this curve in the projection does not present any concerns on his part relative to budget deficits anymore although there are no capital monies within this curve or anything like that. Discussion was held regarding delaying any lay-offs in the Police Department, a proposed city income tax and the effect that foreclosures have on the tax base. Councilman Jewell requested a Special City Council meeting to discuss the budget. It was the consensus of Council to schedule a Special City Council meeting for September 21, 2009 at 9:00 a.m. for discussion on the budget.

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

- **Budget on City Website**

Councilman Kopernik commented on providing the budget on the City website. City Manager McNeil indicated that the status of providing the budget on line would be looked into. He added that a complete redesign of the City's webpage is under consideration. Discussion was held regarding the City's webpage.

- **Street Sweeper**

Councilman Jewell asked if the City has a schedule for the street sweeper. City Manager McNeil indicated he is not aware of a regular schedule but the street sweeper is out from time to time.

- **State Street Bridge Walk**

Councilman Jewell also commented on the State Street Bridge Walk and the misinformation in the newspaper regarding his organization of the annual event.

- **Planning Commission Meeting**

Councilman Bronson commented on the upcoming Planning Commission meeting and indicated he would be out of town. Mayor Sangster indicated he would try to attend the meeting.

- **425 Agreement/Assisted Living Facility**

Mr. Ray Lofgren questioned if the City has entered into a 425 Agreement with Inverness Township regarding the proposed assisted living facility on Townline Road. Mayor Sangster indicated that no agreement has been entered into to date. Discussion was held regarding a 425 Agreement, the proposed assisted living facility, Wal-mart and Huron Estates properties.

- **KFC Building**

Councilman Couture questioned the status of the vacant Kentucky Fried Chicken building. City Manager McNeil indicated there is no activity on the building that he is aware of.

**Adjournment**

Councilman Couture moved to adjourn the meeting at 9:11 p.m. Seconded by Councilman Jewell. Motion carried unanimously.

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Mayor Richard B. Sangster

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City Clerk Kenneth J. Kwiatkowski

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Councilman Nicholas C. Couture

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Councilman William K. Jewell

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Councilwoman Theo Lepp

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Councilman Mark Bronson

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Councilman Michael J. VanFleet

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Councilman Roger Kopernik