

SPECIAL CITY COUNCIL MEETING
September 29, 2009

The Special 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 VanFleet, Jewell, Sangster, Bronson, Couture, Kopernik and Lepp

Councilman VanFleet led the Pledge of Allegiance to the Flag.

Mayor Sangster stated that the purpose of the Special City Council meeting is a presentation to Council from the Police Services Committee consisting of Councilman Jewell, Councilman Kopernik and himself. He deferred to Councilman Jewell, Committee Chairman, for a report.

Councilman Jewell commented on the August 4, 2009 public meeting, noting the various concerns that were expressed specifically with regard to an equal comparison of services and financial information between the City and County. He stated that blight enforcement was also discussed in that the County would not handle blight therefore the City would be responsible for enforcement. Councilman Jewell outlined the proposed \$15,000 annual cost for blight enforcement outside the police department. He also commented on assurances that the County would work hand in hand with the school system regarding student safety, sports programs and miscellaneous functions. Councilman Jewell noted the substantial savings over a five year period. He also commented on an amended figure from the County due to the increasing rate of health insurance. Councilman Jewell stated that the Committee is seeking approval from Council to take this another step forward and request approval from the County Board of Commissioners to contract with the Sheriff Department. He added that the recommendation from the Committee is for Council to vote on whether or not to proceed to the next step. Councilman Jewell commented on budget concerns that are anticipated to worsen and the Committee's recommendation to proceed with a proposed contract with the County.

Mayor Sangster asked if there are any questions of Council directed to the Police Services Committee regarding any of the findings that the Committee has at this time. Councilman VanFleet clarified that Council will determine tonight if the issue will be pursued further with the County Board of Commissioners. Additionally, if Council approves pursuing the matter further, the County Board of Commissioners could potentially deny the request for a proposed contract and any further action would be discontinued. Councilman Jewell indicated that is correct. Mayor Sangster commented that one circumstance that does not change is the economic standing of the City and that moving forward with other cost cutting measures, such as City Manager McNeil's recommendation to lay-off two officer positions as of October 1, 2009 would have to be considered regardless of what happens. Councilman Bronson commented on anticipated cuts in State shared revenue, potential future cuts in state funding, and the expiration of the Wal-mart 425 agreement. City Manager McNeil noted that he anticipated cuts in State shared revenue and reflected that in the budget but if that level of cuts does come through, there will still be a \$37,000 deficit in that revenue line item based on his calculations. He also commented on the expiration of the Wal-mart 425 agreement which is a couple years out. Councilman VanFleet noted the potential increase in health insurance costs associated with the County and questioned if the City would experience the same increase. City Manager McNeil replied that the City will receive a 9% increase on health insurance premiums and he is unsure of the exact amount the County will have. Councilman Jewell commented on the past nine months, input from the public, and the need to resolve the police issue. Councilman VanFleet

commented on the duty of Council to consider all options. Discussion was held regarding cost cutting options.

Mayor Sangster opened the meeting to public comment.

Ms. Winnie Riddle introduced herself and requested that audience members in favor of maintaining the City Police Department to stand. She commented on the new police facility and questioned if use of the facility was included in the calculations with the County. Councilman Jewell explained that the proposed contract, if approved, would specify that the building would be used for the City of Cheboygan's police department, contracted through the County. Councilman Couture commented that Council is looking at all options to control the budget and that the police department is the first option to consider because it is the largest budget item. He added that the reality is that if the City does not cut costs for the same services, then services or jobs will need to be cut. Mayor Sangster noted that the City is very limited on what can be taken away and still offer services to the community. He referred to the proposed police services contract, commenting that the same coverage would be available and that coverage, cost and control are all addressed.

Ms. Sue Schoenith introduced herself and commented on the cost of a blight officer, discrepancies in the figures being presented, giving up control, the cost to maintain the new police facility, taking everything into consideration, and potential denial from the County to pursue a contract for police services. Councilman Jewell commented on the support for Chief Jones and the Police Department as well as the reality of difficult financial times.

Mr. Don Horrocks introduced himself and questioned how officers through the County could be provided less expensively than the City if the City is paying all the expenses. He commented on public opposition to the merger and the possibility of a vote on the issue. Councilman VanFleet commented on due diligence and the need for Council to consider all options. He noted that the question is not whether or not the Police Department is wanted, but how the City Police Department could be funded and still provide other services.

Ms. Chrissy Hartman introduced herself and commented that Sheriff Clarmont has made it abundantly clear that he does not want a merger. She questioned how Council responds to that. Councilman Jewell explained that the City is faced with this budget and that Sheriff Clarmont made it clear he does not want the merger but indicated it could be done. He added that should the County decline, the City has done everything possible to save money within the police department and provide quality service to the community. At that point, other options would be explored further. Councilman VanFleet added that Council has at least done due diligence and may need to move onto other options. Ms. Hartman referred to the city income tax. Mayor Sangster indicated a Committee has been formed and is in the process of researching that option.

Ms. Sue Couture introduced herself and commented on Council's efforts to cut the budget, the financial burden of increasing already high taxes, and the difficult decisions that Council faces as elected officials protecting the best interest of the community. She related experiences with a larger city that merged police services which resulted in a positive outcome including reduced crime and a police force that was more cohesive. Ms. Couture expressed support of further investigating the merger option.

Councilman VanFleet referred to Council's vote tonight on whether or not to pursue the police merger issue. He asked if a decision would also be made tonight on the proposed lay-off of two police officer positions effective October 1, 2009. Mayor Sangster explained that the budget approved by Council includes the termination of two police officer positions effective October 1, 2009 although one officer is currently deployed in the military, and that a change would require a motion of the City Council. City Manager McNeil agreed that confirmation or some other direction from Council is needed to make any changes. He explained that the budget for the police department includes seven officer positions for the first quarter and six officer positions for the remaining three quarters of the budget. City Manager McNeil commented that confirmation of Council is needed to keep the budget as it is or otherwise shift line item expenses to cover the other position. Councilman VanFleet noted that Council discussed expenses in terms of specific line items and where money could be pulled from. City Manager McNeil replied that there are several different options within the budget in his view. He referred to \$50,000 needed to retain seven officer positions and the various line items within the budget including the marketing and fireworks line items that were discussed at the budget meeting. City Manager McNeil explained that one of the measures within the budget that addresses his long term concerns is taking some of the savings derived from cuts in the budget which includes cuts in the police department and setting aside a fund for future equipment purchases thus eliminating some debt and straightening out the curve of the Operation Funds projection. He added that all of those things together help address those future concerns and straighten out that operation curve which if not addressed in some manner will continue to drop. Councilman Kopernik commented on contributions to the Opera House and asked if there are other services or somewhere money could be pulled from for the future. City Manager McNeil commented that the Equipment Fund created for future purchases was discussed although that is more of a short term solution in his view. Councilman Bronson noted that finding money from all these small pieces is a short term fix and caution should be used because projections indicated that economic recovery is not anticipated until 2017. Mayor Sangster commented on opportunities to discuss matters with the County in that the City may rely on the County to provide services since the City of Cheboygan falls within the County.

Mr. Joe Kwiatkowski introduced himself and commented that the County secondary road patrol is not a State mandated requirement and that the Sheriff is an elected official whose primary constitutional duty is to provide the jail. He referred to cuts the County will experience as well as the City. Mr. Kwiatkowski stated that the other issue he feels still needs to be addressed is the Urban Cooperative Agreement Act, Section 8. He commented on the legal opinions with regard to the Act which in the event of a merger would require City officers to be brought into the County at their current seniority level which would affect County deputies. Mr. Kwiatkowski added that the proposed contract would not be with the County Commissioners but the County Sheriff. Councilman Jewell expressed appreciation for the comments.

There being no further comments from the public, the public comment portion of the meeting was closed by Mayor Sangster.

Councilman Jewell moved to proceed to the next step and approach the County Board of Commissioners with a request to negotiate a contract with Sheriff Clarmont for contracting police services with the County. Additionally, a proposed contract would be brought back to the City Council for approval. Seconded by Councilman Kopernik A roll call vote was taken.
Yes votes: Council Members Sangster, VanFleet, Jewell, Couture, Bronson and Kopernik
No votes: Councilwoman Lepp Motion carried.

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Council discussed the issue of laying-off two police officer positions effective October 1, 2009. City Manager McNeil recommended confirmation from Council after Council has had more time to deliberate which would be at the October 13, 2009 City Council meeting. Councilman VanFleet commented on temporarily pulling funds from the Equipment Fund to fund the seventh officer as well as the city income tax initiative that could potentially solve some of these issues. Council discussed the advantages and disadvantages of the city income tax option. Also discussed was the requirement of a seven day notice if a lay-off would be initiated. City Manager McNeil noted he would review the language in the POLC contract with regard to lay-off notice requirements. Mayor Sangster advised having that information available in the event the County denies the request to proceed with a proposed contract for police services.

Adjournment

Councilman VanFleet moved to adjourn the meeting at 8:17 p.m. Seconded by Councilman Jewell. Motion carried unanimously.

Mayor Richard B. Sangster

City Clerk Kenneth J. Kwiatkowski

Councilman Nicholas C. Couture

Councilman William K. Jewell

Councilwoman Theo Lepp

Councilman Mark Bronson

Councilman Michael J. VanFleet

Councilman Roger Kopernik