

**REGULAR CITY COUNCIL MEETING**  
**October 27, 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 Jewell, Sangster, Couture, Kopernik, Bronson, VanFleet and Lepp

Councilman VanFleet led the Pledge of Allegiance to the Flag.

Councilman Jewell requested to be excused at 9 p.m. He added that he is unable to attend the November 10, 2009 Regular City Council meeting.

**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 Couture. Motion carried unanimously.

**Correction and Approval of Prior Meeting Minutes**

- **Special City Council Meeting – September 16, 2009**

Councilman Bronson moved to approve the minutes of the September 16, 2009 Special City Council Meeting as presented. Seconded by Councilwoman Lepp. Motion carried unanimously.

- **Special City Council Meeting – September 21, 2009**

Councilwoman Lepp moved to approve the minutes of the September 21, 2009 Special City Council Meeting as presented. Seconded by Councilman Jewell. Motion carried unanimously.

**Public Comments**

Public comment portion of the meeting opened by Mayor Sangster.

- **Roberts Rules of Order**

Mr. George Lennon introduced himself and questioned if Council observes and abides by Roberts Rules of Order. He mentioned the amount of public comment allowed on all issues of the agenda throughout City Council meetings after the public comment portion of the meeting has been closed. Mr. Lennon noted that limiting public comment to only the public comment portion of the meeting would expedite City Council meetings. Mayor Sangster explained that former Mayor Tebo started the process of opening the floor for continued comment and Council wishes to continue that process. He commented on the nature of discussions such as budget issues and Council's wish to allow everyone an opportunity to speak. Mayor Sangster noted that Council has discussed introducing more formal proceedings regarding Roberts Rules of Order.

Mr. Ray Lofgren introduced himself and commented on Council's efforts to observe Roberts Rules of Order and the allowance of public comment during Council proceedings. Councilman Kopernik also commented on Roberts Rules of Order and allowing time for public comment.

- **Driveway Apron/Water Sample/Recreation Center Entry Fee**

Mrs. Barb Lennon introduced herself and thanked City Manager McNeil for ensuring that her mother's driveway apron was repaired. She also referred to a water sample that was provided. City

Manager McNeil noted that DPW Director Gall has reviewed the information and has attempted to contact Ms. Lennon. Ms. Lennon referred to the Recreation Center and an opportunity for entry fees for use of the facility such as the Ice Rink/Pavilion, in an effort to help offset expenses.

- **Police Services**

Mr. Roy Hartman introduced himself as Chief Steward of the Police Officers Union for the City of Cheboygan. He referred to the upcoming item on the agenda regarding the budget. Mr. Hartman commented on the August 4, 2009 public meeting and the budget information used for comparison purposes of costs for police services through the City versus the County. He noted at the time of the public meeting there were no other options on the table; however, there may be options regarding the lay-off of two police officer positions where money could be saved. Mr. Hartman commented that a bandaid fix would provide time to work together to create a more permanent solution. He requested that Council review the options seriously and weigh the priorities within the community, and decide to not lay-off an officer.

Public comment portion of the meeting closed by Mayor Sangster.

### **Communications and Petitions**

- **Presentation of City of Cheboygan 2008/2009 Audit Report by Anderson, Tackman & Co., PC**

Clerk/Treasurer Kwiatkowski introduced Ms. Trish Brazil of Anderson, Tackman & Company, PLC who is here to present the 2008/2009 Audit Report for the City of Cheboygan. Ms. Brazil referred Council to the Basic Financial Statements Graphical Presentation within the Audit Report. She outlined the statement of net assets; liabilities and net assets; two year analysis of revenues and expenses of all Governmental Funds, the General Fund, Sewer Fund and Water Fund; and the Five Year General Fund – Fund Balance Comparison. Ms. Brazil also referred to a letter of Communication with Those Charged with Governance. She commented on the qualified opinion, noting the audit went extremely well and all required reports have been filed with the State. Councilman Jewell questioned what could attribute to the increase in revenue with regard to taxes. City Manager McNeil explained that includes debt taxes and all other taxes collected by the City. Clerk/Treasurer Kwiatkowski commented on the increase in taxable values and tax collections including administrative fees. Council discussed reimbursement of expenses associated with the Great Lakes Tissue bankruptcy proceedings, the difference between restricted and unrestricted funds, and the increase in the General Fund – Fund Balance from 2007 to 2009.

Councilman Bronson moved to approve the City of Cheboygan 2008/2009 Audit Report by Anderson, Tackman & Co., P.C. Seconded by Councilman Couture. A roll call vote was taken. Motion carried unanimously.

- **Request from Cheboygan County Housing & Homeless Coalition to Hold “Soup Out” event in Washington Park on Friday, November 13, 2009 from 11:30 a.m. to 1:30 p.m.**

Councilman Kopernik moved to approve the request from the Cheboygan County Housing & Homeless Coalition to hold “Soup Out” event in Washington Park on Friday, November 13, 2009 from 11:30 a.m. to 1:30 p.m. Seconded by Councilwoman Lepp. Motion carried unanimously.

### **Boards and Commission Reports**

- **Department of Public Safety Monthly Statistics – September 2009**

The Department of Public Safety Statistics for the month of September 2009 were received and reviewed.

- **Regular Human Relations Board Meeting – October 15, 2009**

City Manager McNeil reported that the Human Relations Board continues to plan the 2010 Martin Luther King, Jr. Day event and discussed how the Board may meet their mission and utilize the recently designated National Heritage Day in recognition of Native Americans.

- **Regular Planning Commission Meeting – October 19, 2009**

City Manager McNeil reported the Planning Commission discussed regulation of medical marijuana dispensaries, the Small Wind Zoning Ordinance, the vacation home rental issue, and approved By-laws required by the 2008 Planning Enabling Act. He noted that drafts of the information discussed will be provided for consideration at the December 8, 2009 Regular City Council meeting.

### **Unfinished Business**

- **Consideration of 2009/2010 First Quarter Budget Revision**

City Manager McNeil noted that as requested by Council he provided several budget reduction options in three different sets. With regard to the option relative to voluntary lay-off, if for some reason the voluntary program could not be implemented, Council could consider that as a general lay-off within the Street Department to accomplish that result. City Manager McNeil stated otherwise the budget document before Council remains the same as well as the balanced budget recommendation before Council at the last meeting. Council discussed the various scenarios including voluntary lay-off within the Street Department; seasonal transfer of one employee from the Street Department to the Wastewater Department; Recreation Center maintenance and eliminating evening and weekend programs; fireworks and marketing programs; and current and future retiree health benefits. Also discussed was the possibility of a City-wide voluntary lay off program, future reductions in State shared revenue, the impact to the Opera House without the appropriation from the City; the ability to mix and match items from each of the different sets to come up with the \$50,000 needed to retain a police officer position; whether eliminating the two police officer positions would fix the cuts in the future; and assurance that all options have been presented. City Manager McNeil noted that all options identified have been presented. He clarified that the original budget was approved but the revision proposed to Council at the last meeting has not been approved. City Manager McNeil recommended at a minimum that the budget that he presented to Council at the last meeting be approved because that has changed some line items and revenue expectations both up and down and a few minor things on the expense side that he believes should be adopted. Mayor Sangster opened the floor to public comment.

Mr. Roy Hartman commented that Council has expressed a need to eliminate duplication of service and although marketing is important, there are combined marketing and advertising efforts provided through the Chamber of Commerce and DDA. Mr. Hartman also commented on establishing priorities and that public safety should be paramount.

Ms. Debbie Messler introduced herself and commented on the need to support the Opera House.

Mr. Ray Lofgren introduced himself and commented on the difficult decisions facing Council. He noted the reduced State shared revenue, decreasing tax base, and the various options under consideration requesting that Council make a wise decision and try to be as fair as possible.

Ms. Kim Pappas introduced herself and commented on the strong need for police services, the partnership of the City and County through the Cheboygan Economic Development Group, and the minimal staffing of the Recreation Department, DPW and Opera House. She also commented on retiree benefits and voluntary lay off programs.

There were no further comments from the public. Mayor Sangster closed the floor and asked for discussion and the wishes of Council.

Council discussed at length the various options for budget reductions and the need for long term rather than short term solutions. Also discussed was mixing and matching the various options, the retirement health benefit, and reducing several budgeted items to come up with the \$50,000 needed for one police officer position for the remainder of the fiscal year.

Councilman Bronson moved to accept the recommendation of City Manager McNeil and to adopt the 2009/2010 First Quarter Budget Revision as presented on October 9, 2009. Seconded by Councilman Jewell. A roll call vote was taken.

Yes votes: Council Members Jewell, Bronson, Kopernik and Sangster

No votes: Council Members Couture, Lepp and VanFleet

Motion carried.

- **Consideration of Ice Rink/Pavilion Management Agreement**

City Manager McNeil referred to an unresolved issue within the Ice Rink/Pavilion Management Agreement that pertains to snow removal. He noted that he discussed that issue with Mr. Charlie Watson, Manager of the facility and has offered some language to Council that specifies the City will assist with snow removal when practical during normal working hours but ultimately snow removal is the responsibility of the management entity. Mr. Watson commented that the Board felt the language in the agreement specifically the wording “when practical” is vague and feels that snow removal is the City’s responsibility. A lengthy discussion was held regarding snow removal in general by the DPW Department, the management entity contracting the service out, and the City providing only removal of large snow banks and/or snow removal for only the auxiliary lots. Mr. Watson referred to bid proposals that specify snow removal on a regular basis and agreed that contracted snow removal of the main lot with the City assisting with the auxiliary lot and removing high snow banks would be acceptable.

Councilman Couture moved to approve the Ice Rink/Pavilion Management Agreement with the Cheboygan Hockey Association for a term of five years pending the change of language of paragraph 13 “The City shall assist with snow removal” and eliminating the rest of the sentence “when practical during regular working hours of the City of Cheboygan Street Department.” Seconded by Councilwoman Lepp. City Manager McNeil clarified that the City will only remove the banks of snow that are built up from regular plowing operations. A roll call vote was taken. Motion carried unanimously.

- **Consideration of Request from The Opera House for a \$23,000 Appropriation**

Council discussed the possibility of utilizing some of the funds budgeted for marketing toward the Opera House appropriation. Also discussed was the purpose of the appropriation, possible job loss without the appropriation, and that the budgeted amount is \$21,000 rather than \$23,000 as requested. City Manager McNeil stated that \$21,000 is in the budget at this time.

Councilman Kopernik moved to approve The Opera House appropriation in the amount of \$21,000. Seconded by Councilwoman Lepp. A roll call vote was taken.

Yes votes: Council Members Bronson, Lepp, Kopernik, Sangster and Jewell

No votes: Council Members VanFleet and Couture

Motion carried.

- **Consideration of Amendment to Section 95.02(W) of the Cheboygan City Code of Ordinances**

Chief Jones stated the Swimming Pool Ordinance is in its final draft which includes the recommendation that swimming pools are allowed on residential lots but shall not be placed in the front yard. He noted that the County Ordinance covers all other aspects.

Councilman Couture moved to adopt the Amendment to Section 95.02 of the Cheboygan City Code of Ordinances by repealing Section 95.02(W) and enacting a New Section 95.02(W) which provides for regulation of placement of swimming pools on lots within the City of Cheboygan. Seconded by Councilman Bronson. A roll call vote was taken. Motion carried unanimously.

Councilman Jewell was excused from the meeting at 9 p.m.

- **Consideration of ATV/ORV Ordinance, Chapter 75 of the Cheboygan City Code of Ordinances**

Chief Jones referred to the draft ATV/ORV Ordinance and outlined the changes including the addition of three accessible streets, clarification on the hours of operation, impoundment of vehicles in violation of the Ordinance, and clarification of authorized operators of ATV/ORV vehicles.

Councilman Couture moved to adopt Chapter 75 of the Cheboygan City Code of Ordinances which shall pertain to ATV/ORV use within the City, provide definitions, operating rules, impoundment, presumption of ownership, penalties, closed highways/streets, access to downtown area and other areas, City resident access, driver's license requirement, registration and speed. Seconded by Councilman Kopernik. A roll call vote was taken.

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

No votes: Councilman Bronson

Motion carried.

### **General Business**

- **Consideration to Take Proposals for Legal Services (General Government and Criminal & Ordinance Enforcement)**

City Manager McNeil referred to two different Request for Proposal documents, explaining that one proposal document pertains to general government and the other to criminal and ordinance enforcement. He recommended that the Request for Proposals be accepted by November 20, 2009, the information could then be distributed to Council for review, and a Committee of Council be

formed to conduct an evaluation and possible interview process if deemed appropriate. Council discussed the possibility of having two attorneys, one for each portion of the legal services.

Councilman Kopernik moved to approve the taking of proposals for legal services (general government and criminal & ordinance enforcement. Seconded by Councilman Couture. A roll call vote was taken. Motion carried unanimously.

- **Consideration of Proposal from Wade Trim, Inc. for Surveying and Mapping for Proposed 2010 Water Main Replacement Project**

City Manager McNeil referred to a proposal from Wade Trim for surveying and mapping in preparation for the proposed 2010 water main replacement project. Council discussed the topographic survey and questioned any possible duplication regarding the water mains. Also discussed was the \$37,000 engineering fee and whether the survey becomes City property. City Manager McNeil commented that he is not aware of any topographic survey work being done in this area before and that the survey becomes the shared property of the City and the engineer. Additionally, the estimated \$37,000 engineering fee is in the budget and in most cases the fee is rolled into the loan as one package.

Councilwoman Lepp moved to approve the Proposal from Wade Trim, Inc. for surveying and mapping for proposed 2010 water main replacement project. Seconded by Councilman Bronson. A roll call vote was taken. Motion carried unanimously.

- **Consideration of Recommendation from Citizens Indoor Swimming Pool Committee – re: Preliminary Engineering and Consulting Services**

City Manager McNeil stated that the Citizens Indoor Swimming Pool Committee received six proposals for engineering and consulting services and is recommending the proposal from Neumann/Smith be accepted. He explained that the project approach and general nature of the firm was considered to be the best fit and the design team specifically with regard to Water Technology had more experience relative to building and operating a pool facility in a Michigan environment. Council discussed the cost of engineering and consulting services, funding, partnerships, and possible sites for the facility. City Manager McNeil referred to leftover funds from the previous Swimming Pool Committee and the endowment from the Gordon & Frances Spies Trust for construction and operation of a pool facility. He noted that final site selection is one of the recommendations that would be sought from the engineer. City Manager McNeil added that at this particular point the Committee is looking for some general design drawings and estimated construction and operation costs to provide information to prospective partners, which would include the County and Townships. He commented on the \$39,000 budgeted amount for the engineering and consulting services. Council discussed the community pool and operating agreement to manage the facility. City Manager McNeil explained that the model the Committee is currently considering for management would be through a Recreation Authority made up of different municipalities and government entities.

Councilman Kopernik moved to accept the proposal from the firm of Neumann/Smith for engineering services for preliminary design & operation & construction cost estimates for the proposed Cheboygan Indoor Aquatic Facility. Seconded by Councilman Bronson. A roll call vote was taken. Motion carried unanimously.

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

There were no comments.

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

- **MSU Major City Park Plan Meeting – Thursday, December 10, 2009, 6:00 p.m.**

City Manager McNeil stated that the MSU Department of Landscape Architecture will present their final recommendations for the Major City Park Master Plan on Thursday, December 10, 2009 at 6:00 p.m. in Council Chambers.

- **Sidewalk Review Update**

City Manager McNeil stated that DPW Director Gall will begin a survey of sidewalk corners where the City has been deemed to have some repair responsibility and that the information is anticipated to be available for Council's review in approximately two weeks. He noted that Ordinance enforcement measures would likely take place in the spring if Council chooses.

- **Board/Commission Term Expiration – November 1, 2009 – December 31, 2010**

City Manager McNeil referred Council to a list of Board and Commission vacancies and requested that any suggestions of candidates to fill those positions be provided to him or Mayor Sangster. Councilwoman Lepp questioned the Local Officers Compensation Board. City Manager McNeil explained that the Local Officers Compensation Board meets every other year to review Council salaries.

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

- **Property Tax Information**

Councilman Bronson provided information from the Cheboygan County Apportionment Report that reflects the various tax rates for Townships versus City properties. He also provided a report regarding comparisons of northern Michigan cities including homestead and non-homestead tax rates, noting that Cheboygan appears to be mid-range.

- **Continue Budget Considerations**

Councilman Couture commented on the need for Council to continue budget considerations such as the possibility of DDA appropriations for the Opera House in the future, holding off on Recreation Center maintenance and how that may come into play with the Major City Park, and retiree health insurance benefits. Councilman Kopernik announced the budget is now on line and requested that information be published in the newspaper.

- **Outdoor Ice Rink**

Councilman Kopernik questioned the possibility of providing an outdoor ice rink. Councilman Couture commented on funding.

- **City Income Tax**

Councilman VanFleet requested an update on any progress regarding the City Income Tax Committee. Councilman Bronson stated that the investigation is ongoing and the Committee does not have a report at this time.

- **Marketing**

Mayor Sangster commented on marketing and provided information on a cruise ship tourism program in the Great Lakes. He commented on the quarterly publication and advertising potential to promote the City of Cheboygan.

**Adjournment**

Councilman Kopernik moved to adjourn the meeting at 9:30 p.m. Seconded by Councilwoman Lepp. 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