

REGULAR CITY COUNCIL MEETING
January 26, 2010

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 Lepp, Sangster, Couture, Kopernik, Bronson and VanFleet
Absent: Councilman Jewell

Councilman Kopernik moved to excuse Councilman Jewell. Seconded by Councilwoman Lepp. Motion carried unanimously.

Mayor Sangster led the Pledge of Allegiance to the Flag.

Approval of Agenda and Receive and File all Communications

Mayor Sangster referred to supplemental information provided under 10.A. Unfinished Business – Consideration of Request for Easement on Stempky Street from Inverness Township, with Committee Report. City Manager McNeil proposed an addition under 11 D. General Business – Consideration of Agreements for Legal Services.

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

Correction and Approval of Prior Meeting Minutes

- **Regular City Council Meeting – December 22, 2009**

Councilman Bronson moved to approve the minutes of the December 22, 2009 Regular City Council Meeting as presented. Seconded by Councilman Couture. Motion carried unanimously.

- **Regular City Council Meeting – January 12, 2010**

Councilwoman Lepp moved to approve the minutes of the January 12, 2010 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.

- **Fast Pitch Softball Fields**

Mr. Al Antkowiak questioned the status on the location of the fast pitch softball fields in relation to discussions on the Major City Park Master Plan. Mayor Sangster noted there are options available if a decision is made to relocate the softball fields but he is unsure if that decision will happen. City Manager McNeil commented that relocation of the ball field in favor of providing tennis and basketball courts, if the final plan calls for that, would not likely be a top priority. He added that what is underway is review of the plan by three different Boards and Commissions that would ultimately make a recommendation to the City Council in so far as which of those elements they like, what elements should stay and what should be eliminated and then prioritizing the elements that remain. Discussion was held regarding the ball fields, the league, short and long term improvements to the ball field, and generating revenue in the community. City Manager McNeil noted that the riverfront elements will take some higher priority. Discussion was held regarding notifying Council

if assistance is needed with the ball fields. Also discussed was the driveway along the west side of the ball field and improvements that need to be addressed.

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

Communications and Petitions

- **Consideration of a Request from the Cheboygan Area Kiwanis to use Washington Park on Sunday, June 20, 2010 from 12:00 noon to 6:00 p.m. for their Community Auction**

Councilman Kopernik moved to approve the request from the Cheboygan Area Kiwanis to use Washington Park on Sunday, June 20, 2010 from 12:00 noon to 6:00 p.m. for their Community Auction. Seconded by Councilman Couture. Motion carried unanimously.

- **Consideration of a Request from the Cheboygan County Council on Aging to use Washington Park on Monday, June 21, 2010 for its “Start of Summer” Celebration and Sunday, August 15, 2010 for its “Pig Roast from 12:30 p.m. to 4:00 p.m.**

Councilwoman Lepp moved to approve the request from the Cheboygan County Council on Aging to use Washington Park on Monday, June 21, 2010 for its “Start of Summer” Celebration and Sunday, August 15, 2010 for its “Pig Roast” from 12:30 p.m. to 4:00 p.m. Seconded by Councilman Bronson. Motion carried unanimously.

Department, Boards and Commission Reports

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

The Department of Public Safety Statistics for the month of December 2009 were received and reviewed. Discussion was held on property inspections, other performances, and felony arrests. City Manager McNeil commented that historical data is available for Council’s review.

- **Regular Planning Commission Meeting – January 18, 2010**

City Manager McNeil stated that the Planning Commission reviewed the Conceptual Master Plan for the Major City Park and agreed that the elements as presented in the plan met with their approval. He added that the Planning Commission will be looking at offering their recommendations relative to prioritizing the different elements and will go over that at their next meeting. City Manager McNeil stated that the Planning Commission also reviewed the Riverfront Development Plan report and that he needs to attach some illustrations and maps and other attachments that were indicated in the draft. He noted that provided that meets the Planning Commission’s approval, it is very possible that the plan and its recommendations can be presented to Council in March. City Manager McNeil reported that the Planning Commission also discussed vacancy on the Planning Commission Board and pending approval of the legal services agreements, Mr. Stephen Lindsay would be required to resign from the Zoning Board of Appeals leaving a vacancy on that Board as well. Discussion was held on filling the Planning Commission vacancy in that the different areas of the community are represented by the various members. It was noted that the area not currently represented is the health industry. The law requires a community to take a look at their own profile and ensure there is representation from the different segments of their community. Additionally, the law does not outline which segments must be represented, but requires that segments are identified, named in the Ordinance which the Planning Commission has done, and that the Ordinance needs to come to Council for consideration.

Resolutions

- **Consideration of Michigan Department of Transportation Performance Resolution for Governmental Agencies**

Clerk/Treasurer Kwiatkowski referred to the Michigan Department of Transportation Performance Resolution which allows the City of Cheboygan to periodically close sections of M27 and US23 trunk line for maintenance work, City sponsored parades and other City events.

Councilman Couture moved to adopt the Michigan Department of Transportation Performance Resolution for Governmental Agencies. Seconded by Councilman Bronson. A roll call vote was taken. Motion carried unanimously.

Unfinished Business

- **Consideration of Request for Easement on Stempky Street from Inverness Township, with Committee Report**

Mayor Sangster explained that Inverness Township is requesting an easement on Stempky Street from the City of Cheboygan. He referred to a list of City concerns that include the Townline Road corridor and cooperation between the City and Township; tax base/growth shift/growth competition; current 425 Agreement renewals which entail Wal-mart and Huron Estates; sanitary sewer system operation & maintenance; land use/zoning; traffic; drainage; and trail use and disruption. Discussion was held regarding development of The Brook assisted and independent living facility, future commercial development in that area, existing and future 425 Agreements, recommendations from Wilcox Professional Services to avoid connection of force main discharges to other force mains, and the management agreement between the City and Inverness Township where the City determines whether or not to allow connection as managers and keepers of the system. City Manager McNeil commented from his point of view, the Township wants to be able to have access to their sewer system and not require the City for sewer services. He referred to the recommendation from the engineer and Superintendent Gall to avoid connection of force mains because that situation can be problematic. City Manager McNeil noted that the proposal from the Committee to the Township and his recommendation to Council would be to respectfully deny the request and recommend the direction of the Committee to have an agreement established within that area that would provide for several different things. One would provide for certain actions to trigger a 425 agreement between Inverness Township and the City and those conditions and agreements would be pre-negotiated. Another aspect is a way for the City and Township to interact for future land use and zoning decision making and other issues of mutual concern. Mayor Sangster questioned if a legal opinion is merited on whether the City does or does not have the ultimate say in that sewer system. City Manager McNeil indicated that he received a verbal opinion and may already have a written opinion that the City does have that right within the management agreement. Council discussed the requested easement at length and determined to table the issue until more information is available as well as written opinion from legal counsel. Mr. Ray Lofgren commented on the current 425 agreement with Inverness Township and working together in the future.

Councilman Couture moved to table the request for an easement on Stempky Street from Inverness Township until more information is available. Seconded by Councilman VanFleet. A roll call vote was taken. Motion carried unanimously.

General Business

- **Consideration of a Request from the Board of Education of Cheboygan Area Schools, Cheboygan and Presque Isle Counties, that the City of Cheboygan collect the district's summer school property taxes, including debt service beginning with a summer property tax levy in 2010; also, City to levy a 1% administration fee on all summer taxes collected except City operating, debt and special assessments**

Clerk/Treasurer Kwiatkowski referred to a resolution of the Cheboygan Area Schools Board of Education where the Board has decided to impose a summer property tax levy in 2010 of all annual school district property taxes, including debt services. He explained that the primary reason is the need for funds to continue operation and to avoid the \$75,000 fee to finance a \$2.5 million loan until the settlement with the County is completed. Clerk/Treasurer Kwiatkowski noted the arrangement poses no problem or hardship on the staff. He commented on a 1% administrative fee to be collected by the City if the arrangement is approved, the City will realize approximately \$16,500 in revenue in the current year.

Councilman Kopernik moved to approve the request from the Board of Education of Cheboygan Area Schools, Cheboygan and Presque Isle Counties, that the City of Cheboygan collect the district's summer school property taxes, including debt service beginning with a summer property tax levy in 2010; also, City to levy a 1% administration fee on all summer taxes collected except City operating, debt and special assessments. Seconded by Councilwoman Lepp. A roll call vote was taken. Motion carried unanimously.

- **Consideration of Improvements to Wastewater Treatment Plant Supervisory Control and Data Acquisition (SCADA) System**

City Manager McNeil deferred to Water and Wastewater Superintendent Gall for an overview on the SCADA system, noting that this expense is in the current Waste Water Sewer System budget and is called for in the Capital Improvement Plan. Superintendent Gall explained that the Supervisory Control and Data Acquisition (SCADA) system runs the entire plant through a computerized system that is designed to provide the correct amount of chemicals that fluctuate with the flow of the water instead of relying on manual operation. He further explained the current system purchased in 1997 that resulted in quite a few problems and that parts are no longer available for repairs. Superintendent Gall referred to the engineering study done by Wilcox Professional Services in 2008 to determine upgrades to the Wastewater Treatment Plant, noting that he and the engineers are recommending the City go with UIS Programmable Services rather than spending an additional \$15,000-\$30,000 in engineering fees to re-engineer this study in order to put out bids for the SCADA system. He commented that UIS provided a quote of \$135,000 in 2008 and that he and the engineers are recommending negotiating a price on the system. Discussion was held regarding the current outdated instrumentation, updated technology that is available, chemicals, flow meters, and meeting the discharge permit for the Wastewater Treatment Plant. Also discussed was the existing Healy Ruff radio system and telemetry to remote sites including the water tower, lift stations and wells. Superintendent Gall referred to the recommendation from UIS of eight additional lift stations to the existing Healy Ruff radio system be complete with antennas, cables and programming, noting that this is inclusive in the quote for \$135,000. He requested that Council allow him to work with UIS and Wilcox Professional Services for an outline on the entire scope of the project and to negotiate a price. City Manager McNeil commented that the information would be evaluated and then provided to Council for consideration. Mr. Richard Lemorie questioned whether the package includes training for the operation as well as trouble shooting. Discussion was held regarding annual maintenance

fees with software upgrades. Superintendent Gall stated that training is included and that the system will also include a laptop computer for remote access. He added that there is no maintenance fee associated with software upgrades; however, the State requires that instrumentation be recalibrated annually.

Councilman Kopernik moved to authorize negotiating pricing with UIS Programmable Services for improvements to the Wastewater Treatment Plant Supervisory Control Data Acquisition (SCADA) System for future consideration by City Council. Seconded by Councilman Bronson. A roll call vote was taken. Motion carried unanimously.

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

City Manager McNeil stated that the only major revision is the reductions in anticipated revenues from interest income as well as reduction in anticipated revenues through Public Act 51 State Shared Revenues. He noted that he was able to offset some of those revenue reductions by reductions in expenses mostly relative to fuel costs. Fuel costs were less than he anticipated in the beginning of the budget year so he was able to reduce those expense line items and have that reflected throughout the budget along with a reduction in the professional services expenses of the Police Department in anticipated of the legal fees that Council will consider next. He referred to the Water and Sanitary Sewer Fund where The Brook facility paid one-time revenue toward water and sewer, and the Equipment Fund reflecting the reduction in anticipated expenses relative to fuel and a slight reduction relative to payroll which is reflective of less activity in that Department.

Councilman Couture moved to approve the 2009/2010 Second Quarter Budget Revision as presented. Seconded by Councilman Kopernik. A roll call vote was taken. Motion carried unanimously.

- **Consideration of Agreements for Legal Services**

City Manager McNeil stated that the agreements for legal services are fairly straightforward and list the terms as requested in the proposals. He commented on the fees, Council's request for review at any time, and a ninety day notice for termination on either side which is reflected in both agreements. City Manager McNeil recommended an effective date of February 1, 2010.

Councilman Bronson moved to approve the agreement for legal services effective February 1, 2010 as presented and authorize City Manager McNeil to sign the same. Seconded by Councilman Couture. A roll call vote was taken. Motion carried unanimously.

City Clerk's and Treasurer's Comments

- **City Council/Mayor Petitions**

Clerk/Treasurer Kwiatkowski stated that petitions to run for City Council or Mayor in the upcoming election are available in his office and should be submitted by the March 8, 2010 deadline.

City Manager's Report

- **Proposed 2010 Water Main Replacement Update**

City Manager McNeil stated that with regard to the proposed 2010 Water Main Replacement update, he expects there will be an engineering services agreement to consider at the next City Council meeting. He added that if Council were to authorize entering into that agreement, the City would incur costs of approximately \$129,000 toward the design. In his view that presents Council with a decision at that point as to whether or not to move forward with the project.

- **Major City Park Conceptual Master Plan Review Update**

City Manager McNeil stated that the Planning Commission reviewed the Major City Park Conceptual Master Plan and although a quorum of the Recreation Commission was not reached an informal discussion was held with two Recreation Commission members. He advised Council that he is proceeding to the next step in the process which is presenting the information to the DDA and looking at prioritizing the different elements of the plan for Council's consideration.

- **Capital Improvement Planning**

City Manager McNeil commented on the Capital Improvement Planning Process for the upcoming budget year where the list of capital improvement requests from department heads has been put together. He noted that a couple Council members participated in the process last year of prioritizing capital improvements for the final budget and department heads will be getting together soon to begin prioritizing the list. City Manager McNeil requested that any Council members that would like to participate in the planning process should contact him.

Messages and Communications from Mayor and Council Members

- **Mayor/Senior Citizens Ad hoc Committee**

Mayor Sangster stated that earlier today he met with City Manager McNeil and Ms. Patsy Earhart about possibly forming a proposed Mayor/Senior Citizen Ad hoc Committee. He explained that the purpose of the Committee is to identify senior citizens issues relative to the City of Cheboygan and not paralleling anything already offered by the County. Mayor Sangster commented that issues brought up include health, finance and socialization for senior citizens. He noted that the Ad hoc Committee would be made up of four persons including the Mayor to be appointed and confirmed by the City Council. Additionally, administrative support would be provided through the City Manager's office, and would include any mailings and postage the Committee may need. Mayor Sangster added that any other funding would be raised by the Committee from sources other than the City of Cheboygan. Discussion was held and Council concurred on the formation of an Ad hoc Committee.

- **Bois Blanc Island Ferry/East Third Street Right of Way**

Councilman Kopernik questioned the information provided to Council pertaining to the Bois Blanc Island ferry. City Manager McNeil explained that the City of Cheboygan entered into an agreement with Bois Blanc Island Township several years ago which provided the Township with the ability to use the East Third Street right-of-way as a possible location for another ferry service. He added that the agreement contains a clause that requires the Township to demonstrate some effort toward development of transportation facilities by the deadline which is the end of this year. City Manager McNeil commented that the Township Supervisor is asking for an opinion on whether an engineering study would satisfy that particular condition in the agreement. He noted that his response to the Township indicated he did not believe the engineering study would satisfy that particular condition although there is language in the agreement that allows Council to extend the period of time if Council feels there is a showing of good faith on behalf of the Township.

- **Legal Services Conversion**

Councilwoman Lepp commented on converting legal services effective February 1, 2010. City Manager McNeil noted this is an excellent time for the legal services transition as there are no outstanding issues that require any conference between attorneys. He added that Mr. Hoffman has resolved to go through and make sure the City receives the appropriate files. Additionally, Mr.

Lindsay indicated that the first thing he intends is an inventory of legal opinions, especially those more recent.

- **Annual Evaluation of City Manager**

Mayor Sangster indicated that the annual evaluation of the City Manager would be moved to the next Regular City Council meeting.

Adjournment

Councilwoman Lepp moved to adjourn the meeting at 8:25 p.m. Seconded by Councilman Kopernik. 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