

REGULAR CITY COUNCIL MEETING
July 25, 2017

The Regular City Council Meeting was called to order by Mayor Pro Tem Couture in the Council Chambers at City Hall at 7:00 p.m.

Roll Call:

Present: Couture, Kwiatkowski, Lavender, Temple and Riddle

Absent: Bronson and King

Councilwoman Kwiatkowski moved to excuse Councilman King and Mayor Bronson; supported by Councilman Temple. Motion carried unanimously.

Mayor Pro Tem Couture led the Pledge of Allegiance to the Flag.

Public Comments:

Ms. Janet Gahn introduced herself stating she is a property owner and taxpayer. She said she is here to state her dissatisfaction on the non-regular maintenance of the alley which houses her garage and additional parking between N. Ball Street and N. Benton Street. She asked why it takes continual asking to have the numerous, and she means numerous, potholes taken care of. She was told when asking for the second or third time, that the alley would be addressed mid-July; today is now July 25. When she inquired yesterday, she was told alleys were going to be done on the east side first. Prior to yesterday, she was told the City was going to use the new piece of equipment purchased for clearing snow on the sidewalks. Ms. Gahn then stated she is a little confused. She is not quite understanding why they don't have regular maintenance scheduled and those alleys are not checked. Ms. Gahn went on to state, as a taxpayer, if you drive on W. State Street, the newly paved section, which is by the way is wonderful, take a look at the curbing. Some new, some almost level or level with the asphalt, curbing that is now built up asphalt to connect missing curbing. All different levels in the entire area and she is going to assume trip hazards have been created. At the corner of N. Huron Street and W. State Street (corner of the City Hall parking lot), new curbing has been put in and handicap assessable inlay. She went on to state she understands that they are going to do that intersection when they do Huron Street, but the curbing is solid and in front of the curbing is gravel. For someone with a disability, noting she is very, very conscious of this, or a child in a stroller, do they have to walk into W. State Street to go back onto the sidewalk? The same thing is across Huron Street and kiddy corner. Lastly, Ms. Gahn stated the City of Cheboygan and its taxpayers extend far beyond the DDA District, Main Street and Festival Square. She wonders how the tax dollars on W. State Street were actually used, adding she is really disappointed at how it looks.

City Manager Eustice stated City Engineer Jim Granger is going to look at that as the curbing certainly is a disappointment. He and Chief Jones looked at that prior to the paving being done and questioned as to why there were some areas that we put new curbing in and not others, but City Engineer Granger said the curb will be exposed once they mill and grind down. They only went down about four inches and it didn't expose the curbing. It was not enough that was exposed. It is somewhat of a dilemma and we are going to have to take a look at what we can do to curb those areas. Councilwoman Riddle

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asked if that was part of the bid, taking care of the edge of the road. City Manager Eustice stated it was but it was what City Engineer Granger supplied to the bidders. Councilwoman Riddle then asked just some locations. City Manager Eustice replied yes, curb and gutter and blacktopping. Councilwoman Riddle commented if they see there is some not there, then they just ignored that because it was not written down. City Manager Eustice replied yes, it was not part of the project. Mayor Pro Tem Couture commented so it falls on the Engineer. City Manager Eustice then stated all the curbing wasn't entirely part of the project. Mayor Pro Tem Couture asked what the funding was for the project. City Manager Eustice replied a bond. Mayor Pro Tem Couture then stated we did not borrow enough. City Manager Eustice responded we borrowed what we needed to borrow based on the engineering. Councilman Temple stated it seems to him that the bid came in lower than we expected, so maybe we should have looked at really needed to be fixed. Mayor Pro Tem Couture asked if the City Manager and City Engineer or whoever else can go to find some information on cost to make it look right. City Manager Eustice stated yes, we are going to have to do that. Mayor Pro Tem Couture stated it is probably going to be a lot more than if done all at once. City Manager Eustice said we will have to see how much of the bond is left, adding we have additional road millage that we could probably use, but it will have to come back to Council as the cost will be much more significant than what he can approve. Councilman Lavender asked when these projects are going on, who from the City is making sure they are being completed properly. City Manager Eustice replied the City Engineer. Councilman Lavender then stated according to his specs he said no curbing on certain areas. City Manager Eustice replied correct, he did not think it was going to be necessary. Councilwoman Riddle asked once a job is bid, you really can't readdress it if it is much worse than anticipated. City Manager Eustice stated you can in some respects; there are some cost contingencies that you can utilize. Mayor Pro Tem Couture commented you do the curbing before you do the paving in this regard. Councilman Lavender stated it seems with every project there seems to be complications that can be addressed as it is being done. Mayor Pro Tem Couture stated he has noticed a few disappointments about the way it ended up. City Manager Eustice said he will have City Engineer Granger take a look at it and see how we can remedy that, noting there are a couple areas where there should be curbing and they just tried to build up blacktop. Mayor Pro Tem Couture asked what the process is with our City Engineer; is he hired as the City Engineer. City Manager Eustice replied he is not paid as a City Engineer, but he is designated as a City Engineer. Councilwoman Riddle asked if he is mostly a consultant. Mayor Pro Tem Couture stated we hire him for each individual job.

Councilman Temple commented the alley between Ball Street and Bailey Street is almost impassable, gesturing how deep the holes are. Most of the houses on those streets, their driveways are in the back and they have just as much right to get to their garages as anybody else does. We really need to look into these alleys. He noted he went down the one the other day and it was terrible. Mayor Pro Tem Couture commented Ms. Gahn's alley is between Benton and Ball, and he is sure there are more. City Manager Eustice commented those two alleys get used a lot. Between Bailey and Ball, they all have garages. Mayor Pro Tem Couture stated it is not like you can scrape it with a truck and put more gravel down to keep it level, it's nearly impossible to fix. Councilman Temple commented the alley between Ball and Bailey has blacktop and that is going to be hard to fix and it is terrible. Ms. Gahn has had trouble with her alley for years. City Manager Eustice explained the City went with a little heavier stone/gravel but it does not make any difference; the gravel in the past had too much sand in it and not enough gravel and within a week it was back to the condition it was. Councilwoman Riddle asked why does it get so bad so quickly once it is worked on. City Manager Eustice replied in these alleys we may have to go with pure Afton stone and get away from gravel, which is a little costlier.

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Councilman Temple commented it packs well. Mayor Pro Tem Couture stated when there are potholes in asphalt and you are going from one to another and it rains it gets blown out and he does not think it matters what is put in there. It has to be more frequently maintained. Councilman Temple suggested using the same kind of machine they took the blacktop up with on State Street on the alley between Bailey and Ball and then redo it with gravel. City Manager Eustice agreed, stating the best thing to do might be to get all the old asphalt out of there. Councilman Lavender stated every year they get a report from DPW Director Karmol on the water and sewer system but he has not seen one on the DPW side, asking if we have gotten one. City Manager Eustice replied he does not produce a street department report other than expenses. Councilman Lavender stated it might be a good idea to have an inventory, plans and priorities on the street side. City Manager Eustice stated alleys, too, adding the City has a PASER Study, which is a pavement analysis of our streets, and that is how we are choosing to repave. We use the PASER Study to analyze what critical streets to do first and W. State Street was a critical street; not only did it have a low rating on the PASER Study because of the potholes it is a very well-traveled and major street in the City. Councilman Lavender commented besides replacing streets there are a lot of other things on the DPW side to report on what's happening. City Manager Eustice agreed, adding costs and procedures are important and he will ask DPW Director Karmol to put something together.

Ms. Trudy Lofgren introduced herself, asking if there is any plan for the painting of the Lincoln Avenue Bridge as it is getting a little nasty. City Manager Eustice stated our Recreation Department tried to paint some of it last year by hand and Seaway Painting, who did work on the State Street Bridge for MDOT, was supposed to do an estimate, but he still does not have a cost estimate from them. It needs to be spray painted and it is not something that can be rolled out and needs to be professionally done. Ms. Lofgren asked if this is a cost to the City. City Manager Eustice replied it is a City expense and hopefully Seaway Painting will give him a quote to see where we are, because he has no idea of the cost but it will be significant. This is something that is very visible and it really started peeling almost right away. Councilwoman Kwiatkowski commented on the liter on the rocks on the Main Street side of the Bridge. City Manager Eustice stated he will have Parks & Recreation Director Hancock look at that.

Approval of Agenda, and Receive and File all Communications:

Councilwoman Kwiatkowski moved to approve the Agenda and receive and file all communications; supported by Councilman Lavender. Motion carried unanimously.

Approval of Prior Meeting Minutes – June 27, 2017:

Councilman Lavender moved to approve the Regular City Council Meeting minutes of June 27, 2017 as presented; supported by Councilwoman Kwiatkowski. Motion carried unanimously.

General Business:

- **Consideration of 2017 Animal Control Appropriation to the Cheboygan County Humane Society** - City Manager Eustice stated Council has a voucher from the Cheboygan County Humane Society requesting an annual appropriation again this year in the amount of \$7,000.00. The Council approved \$3,000.00 last year. He also provided the Council minutes from last year. The percentage of the calls last year was 23% and is pretty similar this year, so they are used often. We do, however, do some of our own animal control. Councilwoman Riddle asked if this is up from the past. City Manager Eustice stated it is pretty consistent. There are statistics as far as the number of calls, but we don't have a breakdown of the other contributions from the Townships. He called today to get it and

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was unable to. This appropriation is not something we have to make a decision on tonight because he would like to get some more information, and he thinks Council would like to see some more information as far as the contributions from other Townships. Councilwoman Kwiatkowski asked if they are a kill society. Councilwoman Riddle replied no, asking if we know what the Humane Society's budget is. City Manager Eustice replied no, but we can get that information. Mayor Pro Tem Couture stated he thinks that would be helpful information to make a decision. His personal feelings is this is going to go along with the conversation that we started to have in the last year regarding what the City provides for the surrounding Townships and the County, which are City run and paid for entities or services. He is a backer of the Humane Society, noting the City taxpayers already pay the County 5.65 mills, or 10%. He would like more information, commenting the City pays for the fireworks every year and nobody contributes to that. City Manager Eustice stated he will get a breakdown, adding that after the last Council meeting Mayor Bronson asked him to get some budgetary information on the recycling program which the Mayor now has. This is also something we will discuss at the next meeting. City Manager Eustice then stated there is a contract for the Recycling Program, noting the City taxpayers pay a \$24.00 surcharge on their tax bill. Mayor Pro Tem Couture stated this was not voted in and Council chose that. City Manager Eustice went on to state the current Contract goes through 2018 with the County for that surcharge, but there is some concern because the County also runs basically a toxic waste program on Wednesdays at the County Fairgrounds where you can bring products such as batteries but they are charging an additional charge over and above what is on the tax bill but in the Contract it says it is part of the Program. This is an issue and the County is aware of it and are going to look at that. The County was very cooperative in providing the financials for this program.

Councilwoman Riddle asked if we have any information on what the services the City supplies such as the parks, etc. that don't cost people for its use and is there any kind of information of what the County actually does to the benefit of the City. Mayor Pro Tem Couture replied he attended the recent Recreation Commission, noting Councilman King is the Liaison, and this is kind of where they are starting to head with their conversation. There is a Recreation Plan that the City has and also a County Recreation Plan. He read through that today and it answers some of that. The conversation will have to be had at the Council level fairly soon. Also, the Commission has directed the City Manager to gather information.

Councilwoman Riddle then asked about the Gold Front Building and what is the status on a grant for demolition. City Manager Eustice replied the grant is in and the last time he talked with the County Treasurer, Buffy Weldon, she had not heard if they were awarded anything at this point and thought they would know by the end of last week. Councilwoman Riddle stated she is kind of interested in the end use of that piece of property.

Councilwoman Riddle moved to table the consideration of the 2017 Animal Control Appropriation to the Cheboygan County Humane Society until the August 8, 2017 City Council meeting; supported by Councilman Lavender. A roll call vote was taken; motion carried unanimously.

City Clerk's and Treasurer's Comments:

- **Lapel Mics and Amplifier** - Clerk/Treasurer Kwiatkowski stated the lapel mics and amplifier were ordered today and is hoping to have them set up for the next Council meeting.

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City Manager's Report:

▪ **Meijer's** – City Manager Eustice stated we are to be on the Agenda for the Inverness Township Board for the August 1 meeting to ask for a Franchise Agreement. City Attorney Lindsay and he will attend the meeting. We are going to ask for a Franchise Agreement to run both utilities, if necessary, or at least water. He and City Attorney Lindsay do not believe they are going to grant us a Franchise Agreement, but we are going to ask for it and have some discussion about that. City Attorney Lindsay also believes we don't need a Franchise Agreement if we go through Huron Estates, which will also be discussed with the Township, as well. Councilwoman Kwiatkowski asked if the Township asked the City for a Franchise Agreement and we gave that to them and they voted it down. City Manager Eustice stated we requested the Agreement, but Inverness Township has not addressed it. Mayor Pro Tem Couture explained we asked them to respond by a certain time period or else put us on the Agenda for their next meeting, which is August 1. City Manager Eustice stated we did get a letter back from Mr. MacArthur stating he forwarded the letter on to the Board but he did not have the authority to negotiate a Franchise Agreement. Councilwoman Kwiatkowski asked the City Manager if he wants as many from Council in attendance for support at the August 1 meeting. City Manager Eustice replied he does not think it is necessary and thinks he and City Attorney Lindsay can handle it. Councilwoman Riddle commented it would be nice to have a Meijer representative in attendance. City Manager Eustice reported he did talk with Mr. Ron Neuman, Supervisor of Inverness Township this afternoon to get any kind of new updates. Mr. Neuman told him they have not made any contact with Meijer's; they were supposed to have a conference call with Meijer's to work out what Meijer's wanted and apparently that has not happened. The 425 Agreement and Utility Service Agreement (USA) are still possible options and they know that. Mr. Neuman asked him today if the City would be interested in having a USA, just for water, and we basically have told them that is not going to be the case several times. Councilwoman Riddle said she hopes we stay firm on what we decided we needed so the City doesn't basically come out on the short end of the stick so to speak. We are being very agreeable and bending over backwards so to speak. Councilwoman Kwiatkowski added we have been for two and one-half years. Councilman Temple asked if the City Manager has talked to anyone from Huron Estates. City Manager Eustice replied he has talked with the owner, Mr. Todd Wyatt, noting there are some concerns there. Mr. Wyatt is absolutely willing to grant the City an easement through there. He understands fully how these things work as he is in the developmental business and has worked with Meijer's before on other projects. The only thing he said is because he has a mortgage on the property the bank may require some financial assistance to buy an easement through there, but he wouldn't because he knows his property value is going to increase once a Meijer's store is out there. Mayor Pro Tem Couture stated it sounds like we are to the top of the other mountain and that is just the option we need to pursue potentially, to at least get an idea. Let's get the bank to tell us how much and we at least have another option, if we are denied all the way through like we have been so far. Councilman Temple stated he would like to be close to an agreement with Huron Estates in case we are turned down, so this does not go on and on forever. Mayor Pro Tem Couture suggested a letter from Mr. Wyatt stating he is willing to do it and request from him for the City Manager to be able to talk to his bank or Mr. Wyatt will have to do it, so we know on August 1 and we know our direction. If we need to have a Committee meeting, that is doable, too. City Manager Eustice stated he will talk with City Attorney Lindsay and thinks we should have a Committee meeting maybe next Monday to look at our game plan to address the Township. Mayor Pro Tem Couture asked if the Township meeting is Tuesday. City Manager Eustice replied yes, 7:00 p.m.

▪ **Michigan Main Street Program** – City Manager Eustice reported they have established a Steering Committee and they held their second meeting yesterday. They are going to meet with the Steering Committee every two weeks to develop the Michigan Main Street Program and the criteria that is

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necessary and procedures that are necessary to go through. The Committee yesterday, as a whole, decided to basically assign an independent Chairperson that was on the Committee, Mr. John Costin. Mr. Costin is one of the owners of Simply Marcella's downtown. Mr. Costin is going to chair that Committee and is going to come in and meet with him and Ms. Kirsten Guenther prior to the next meeting on August 9, 2017. City Manager Eustice noted he needs to talk with Mayor Bronson about that because this Steering Committee is basically a sub-committee of the DDA and he thinks he needs the Mayor's approval to assign a Chairperson that's not a City employee or a Commissioner. Councilwoman Riddle asked what Ms. Guenther was assigned. City Manager Eustice stated she is going to be the staff support for the Committee and she and Mr. Costin will work together, as well as himself, noting he will oversee the Committee. Mayor Pro Tem Couture asked if the hours Ms. Guenther puts into the Michigan Main Street Program are paid hours from the City. City Manager Eustice replied they are, as part of her hourly wage as she is not salary. Mayor Pro Tem Couture then asked if she comes to work every day. City Manager Eustice answered yes, so the time she does spend on the Program is part of her pay. Mayor Pro Tem Couture then asked if Ms. Guenther answers directly to the City Manager. City Manager Eustice responded yes. City Manager Eustice commented Mr. Dan Leonard from the MEDC was here for the meeting yesterday and helped us organize. The Bring it Cheboygan Group has been in this since the inception and have offered a lot of volunteer time. As we move forward we are going to start making some assignments and that will be the responsibility of Mr. John Costin to set up some sub-committees and make assignments for the process for the Michigan Main Street Program. Our goal is to be designated at the Associate Level once the training is done and once we get a communication plan in place and we do a building inventory and a funding plan. We can stay at the Associate Level for three years; however our goal is to get to the Select Level in 2018 and to apply for the Select Level, which is a little more detailed. It will be nearly at the end of 2018 and then we actually as a Committee will have to go to Lansing and pitch the Michigan Main Street Program and they will evaluate if we meet all the necessary criteria to be at the Select Level. City Manager Eustice went on to state the Michigan Main Street Program is two-fold: a historical preservation (they like to maintain the current buildings downtown and improve those buildings) and economic revitalization. There are multiple ways you can support economic revitalization from promotion, advertising and business recruiting so we can get more investors in our community. Councilwoman Riddle stated they just got back from going to a training session in Owosso, which is the first session she has been to, and she was very impressed with what Owosso had achieved and extremely impressed by the way the group dealt with each other having gone through all kinds of growing pains to get to where they were. Things are moving along very smoothly, but a lot of things have been accomplished. Mayor Pro Tem Couture stated our plan of applying for the Select Level in 2018 is much more extruded than he was anticipating. During the presentation some entities didn't ever apply or ever get it or it took some time to build the Associate Level into that. City Manager Eustice agreed, stating East Jordon was one of them being at the Associate Level for three years and then dropped it. The key is you need a strong volunteer base of business owners and volunteers that are willing to work on this, and we have this because we have the Bring It Cheboygan Group and a lot of people interested, but we need more business people interested. Mayor Pro Tem Couture commented at this phase the City's expenditures are really staff time and it is major increases if we go to the Select Level. There is a requirement to have a staff member designated to that. Mayor Pro Tem Couture stated his opinion is we are going to need some sort of plan before there is any sort of commitment. He believes it was the consensus of Council that they did not want much staff expenditure at this level into this Program; he is not against it but he is adamant that we are watching what we are spending the City Manager's time on because there are a lot of other projects that need attention and completion. He does not know how much time the City Manager spends on this. City

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Manager Eustice replied probably too much, but that is changing with the assignment of Mr. Costin and thinks the Committee recognized that, too, that he is spread too thin and put in a dedicated individual that has some time to work on it. He noted Mr. Costin was at the last training session in Owosso. Also a lot of the Bring It Cheboygan Group has gone through training and he thinks it will go forward quickly now. Councilwoman Riddle said it goes without saying if we are not ready in 2018 we won't apply and we have to feel ready. City Manager Eustice replied that is true and we should know because to apply for the Select Level you need to send them a Letter of Intent September 1, have the application in by December 1 and pitch it in Lansing in February. If we don't appear to be ready at that point, we can back it up a year. He went on to state there are not a lot of costs right now from the City's standpoint, noting the Bring It Cheboygan Group, including Jim Soubly, are paying for it themselves, including going to the training sessions.

- **Fire Chief Retirement** – City Manager Eustice stated the City's Fire Chief, Tom Bancroft, is in the process of retiring. He wanted to retire by August 1, but will stay on until August 8. We will have a recommendation for a Fire Chief. Police Chief Jones and Fire Chief Bancroft have already talked about it and the firemen themselves have made a recommendation that will come to the Council on August 8. City Manager Eustice commented Mr. Bancroft has been a fireman for 60 years. Councilman Lavender asked about the possibility of doing a Resolution of Appreciation. City Manager Eustice replied absolutely.

Messages and Communications from Mayor and City Council Members:

- **Utilities Committee Meeting** – Councilwoman Kwiatkowski inquired on the next Utilities Committee Meeting. City Manager Eustice replied it is the first Thursday of the month at 10:00 a.m. and he will ask DPW Director Karmol about starting it back up.

- **911 Meetings** – Councilwoman Riddle reported she has been going to the 911 meetings in Petoskey noting they are changing over to an 800 frequency that is a more updated system and either way if they stayed with the system they had or went to the new system it would cost money. They don't yet know what things have to happen, but information will be coming to the Council and to the County. Councilwoman Riddle announced that the director at 911 is retiring and on July 31 there is a retirement celebration.

- **Community Garden** – Councilwoman Riddle stated the Community Garden's fence is in place and makeshift gates are in place to close it off to keep the deer out. Solar lights have also been placed around the posts, which should also deter deer activity. Also, a lot of volunteers have helped out.

- **Representation at County Meetings** – Mayor Pro Tem Couture stated the Council has talked in the past about representation by members of Council at surrounding meetings. We should have a volunteer and he feels somebody should get an appropriation to go to those meetings if we are requesting that someone attend these meetings and they are volunteering for it. I doesn't have to start with this Council. It does not have to happen right away but it should. If you are asked to go to a meeting on behalf of your constituents then you should at least be paid for your time. He then asked who makes the decision. Mayor Pro Tem Couture added even if it is not paid, representation especially at the County level and the adjacent Townships to the City of Cheboygan is imperative moving forwarding with recreation and the Humane Society. Someone should be there and give a report. Councilwoman Riddle stated the Bring It Cheboygan Group is made up of people from a number of the Townships, as well as City residents, so there is a lot of support in the volunteer network or group that is really interested in improving Cheboygan and it's not just City. Communication in that involvement back and forth with the Townships, etc. she thinks is a really good point. Mayor Pro Tem Couture commented if there is no communication nothing will ever get done. City Manager Eustice stated he will look at this and make some recommendations and it probably

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should go to the appropriation’s board. Mayor Pro Tem Couture then stated the end game is that it should be offered, suggesting options be looked at before bringing it to the board. City Manager Eustice stated most counties have stipends for those kind of meetings. Mayor Pro Tem Couture asked the City Manager to get information to the Council two meetings from now.

Councilman Temple moved to adjourn the meeting at 7:55 p.m.; supported by Councilwoman Kwiatkowski. Motion carried unanimously.

Mayor Mark C. Bronson

Clerk/Treasurer Kenneth J. Kwiatkowski

Councilman Joseph Lavender

Councilwoman Winifred L. Riddle

Councilman Vaughn Temple

Councilman Nathan H. King

Mayor Pro Tem Nicholas C. Couture

Councilwoman Betty A. Kwiatkowski