

REGULAR CITY COUNCIL MEETING
January 23, 2018

The Regular City Council Meeting was called to order by Mayor Bronson in the Council Chambers at City Hall at 7:10 p.m.

Roll Call:

Present: Temple, King, Riddle, Couture, Kwiatkowski, Lavender and Bronson

Councilman Temple led the Pledge of Allegiance to the Flag.

Public Comments: None.

Approval of Agenda, and Receive and File all Communications:

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

Approval of Prior Meeting Minutes:

Councilman Lavender moved to approve the Regular City Council Meeting Minutes of January 9, 2018 as presented; supported by Councilman Temple. Motion carried unanimously.

General Business:

■ **Consideration of Help America Vote Act (HAVA) Grant Agreement for Purchase of Dominion Voting Systems** – Clerk/Treasurer Kwiatkowski stated what we have right now is going to be replaced; it is not an option and is completely paid through the Grant. It will be three tabulators and also a handicap accessible unit that we are required to have. The value of the equipment is \$22,000.00. We have to have a service contract and have the units serviced every year. The Grant will cover the first five years and after that we will be responsible. Typically for the three units it runs about \$400.00 a year. The only other thing we have to get are the programmable cards, which are not expensive. Clerk/Treasurer Kwiatkowski went on to state the program for each election runs around \$350.00 per tabulator, so it is between \$1,000.00 and \$1,200.00 per election to have the cards set up. He is asking the Council to approve the Grant and authorize him to sign the same.

Mayor Pro Tem Couture moved to approve the Help America Vote Act (HAVA) Grant Agreement for the purchase of Dominion Voting Systems and authorize the Clerk/Treasurer to sign the same; supported by Councilman King. A roll call vote was taken; motion carried unanimously.

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■ **Consideration of Consumers Energy Proposal for LED Street Light Conversion – Jason Karmol, DPW Director** – DPW Director Karmol explained to Council that Consumers Energy sent the City a pretty good Proposal to convert all of our street lights to LED. Currently we have two different street lights in the City – some are metered and some are unmetered. Those unmetered street lights are a fixed fee as to the amount of energy the lightbulbs consume. All of those are getting charged based on our lightbulbs. There are two different kind of lightbulbs in those. The Proposal is a little complex so he asked Mr. Dobrowolski of Stan’s Electric to walk him through it. It is a really good Proposal as far as saving the City energy and the time of call out, as right now we are paying Stan’s to change those bulbs as they break and LEDs will last eight years. Consumers will convert all of our unmetered street lights for \$66,000.00 to LED. They also give us an option at no cost which is switching all of our lights to a high pressure sodium which consumes a little less electricity but we would have to still change bulbs more frequently than the LED. DPW Director Karmol informed Council the City has a \$30,000.00 credit from Consumers Energy that can be applied to this; therefore, the \$66,000.00 to convert all to LEDs would go down to about \$36,000.00. The other thing is that we can use Major & Local Street monies when the lights are on major and local streets, so that makes this a fundable project now and he recommends doing it as soon as possible because the bulbs will pay themselves back in 1.8 years and they have a warranty of 8 years. The City is going to be saving money right away and he recommends the LED conversion of this Proposal. He realizes it is a \$66,000.00 commitment on the Proposal, but we do have a \$30,000.00 credit that can be applied and it would then require a \$36,000.00 Local Street Fund match. Mayor Pro Tem Couture commented the long and short of it is that it would get paid back from the savings. DPW Director Karmol replied yes, it has been calculated at 1.8 years. Clerk/Treasurer Kwiatkowski informed Council what the City is doing now is that Stan’s takes care of the downtown lighting and that is several thousand dollars a year just to change light bulbs; however, that is not part of it. When Stan’s gets the City their quote that will be something that will really help a lot. Councilwoman Riddle asked if the downtown lights that Stan’s takes care of will be switched over to LED. DPW Director Karmol replied that is a separate proposal and he is asking Council to act on the Consumers Proposal and then Council will be provided with a Proposal from Stan’s for the downtown lights, which are the metered ones, which will also produce even further our energy costs. Clerk/Treasurer Kwiatkowski stated his recommendation, if we go that route, is to have the DDA Fund pay for that. We just finished the debt service on the footbridge, so right now the DDA has an extra \$60,000.00 available that typically would have gone to pay for the debt service. What they are doing is trying to make the transition without anything coming out of the General Fund. Mayor Pro Tem Couture asked if it is also the recommendation of the City Manager to move forward with the Proposal. City Manager Eustice replied absolutely. Councilman Temple asked if the proposed lighting is brighter than the ones that are up now. DPW Director Karmol replied they are going to be brighter and lighter, not yellow. Right now we have two different kinds of lighting up – a mercury vapor and a high pressure sodium and believes it is the mercury vapor that has the yellowish tinge. The new lighting will be a brighter white. Councilman King stated he believes the high school parking lot are LEDs. Councilman Temple commented there are some neighborhoods that the lights are not real bright in. DPW Director Karmol stated some of our current lighting that are 250 watt bulbs they want to convert to 54 watt LED and he actually supports that. What he would like to do is get everything down to the same bulb and replace everything with

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54 watt LEDs and have one bulb to change anywhere in the City would be his preference but he realizes there may be areas that need different light due to circumstances. Ideally he would like to get this down to one simple bulb. In this Proposal they take out four of the different kinds of bulbs and replace it with a 54 watt LED. Councilman Temple commented the brighter the neighborhood the better. DPW Director Karmol stated the 250 that we are replacing with the 54 will not be as good, but the other two lower wattage ones will be brighter. Consumers Energy claims we have 68 250 watt bulbs out there that might not be as bright, but there are going to be 251 that are bright. He then stated it would help if we had one bulb that was consistent throughout the City.

Councilwoman Riddle moved to approve the Consumers Energy Proposal for LED Street Light Conversion; supported by Councilwoman Kwiatkowski. A roll call vote was taken; motion carried unanimously.

■ **Consideration of Quote – Purchase of Riding Lawnmower** – Parks & Recreation Director Hancock informed Council he would like to purchase a new 60 inch cut Ferris mower. They have three mowers and the City mechanic does a great job keeping them running. They have had great luck with the Ferris’ – one is over 15 years old, being closer to 20 years old. Every two weeks the 20 year old mower needs mechanical work. In the Parks & Recreation Budget they have appropriated \$10,000.00 and the one they would like to purchase is \$8,070.50. It is \$850.00 more to get a Kawasaki engine, but currently two of their machines have Kawasaki engines and have been great machines for them. The recommendation of the City’s mechanic is to go with the Ferris 26 HP with the Kawasaki engine for \$8,070.50 from Great Lakes Snow Plows, with free delivery before April 1. An inquiry was made as to a warranty. Parks & Recreation Director Hancock replied he is not sure what the warranty is and does not have the specs for Council, but he does not anticipate any trouble whatsoever. Mayor Pro Tem Couture noted one of the other quotes has a four-year warranty. Councilman Temple asked if we did not get any local quotes. Parks & Recreation Director Hancock replied they wanted to go with Ferris, noting the last time they bought local, which was a good machine, but when it was a little bit wet out the belt slips and they can’t keep cutting. This is why they wanted to go all with Ferris and there is no Ferris dealer in Cheboygan.

Councilman King moved to purchase a riding lawnmower for the Parks & Recreation Department from Great Lakes Snow Plows in the amount of \$8,070.50; supported by Councilwoman Kwiatkowski. A roll call vote was taken; motion carried unanimously.

■ **Consideration of Organizational Analysis for the City of Cheboygan Request for**

Proposals – City Manager Eustice commented there is a memo from the Committee that was formed to analyze this. The members of the Committee are Mayor Pro Tem Couture, Councilman King and Councilman Lavender. They had a meeting and did solicit a single quote. There are very few organizations that do this type of thing. The Committee went to the Michigan Municipal League for advice and were given one organization that does Organizational Analysis. He went on to state what the Committee is seeking is basically doing an inventory of the departments, specific duties, job descriptions, conduct a survey of all departments within the City to review policies, communications, work goals, effectiveness, create a reporting system for all departments that is goal and task oriented, and identify

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departments in need of long or short-term staffing plans. We just had two employees retire and have a lot of employees in the City that are close to retirement, which is a concern for this Council and the Committee. We need to improve communication efficiency between all departments and employees. City Manager Eustice stated because the Committee only had one Proposal, they asked if the Council had the ability to go with that. He and City Attorney Lindsay had some discussion in that regard and by Charter and Council Policy this type of thing should go out for Request for Proposals, if it is the wishes of the Council. Mayor Bronson asked if Council would identify who gets the RFPs or would it be posted. City Manager Eustice replied we could do both posting and identify specific organizations that do this; we could publish it and post it on our website. Mayor Bronson then asked what kind of turn-around time. City Manager Eustice stated his suggestion is since there is a three week gap between this meeting and the next Council meeting that the Proposals be in by February 7 to take to the February 13 Council meeting for a selection. Mayor Bronson asked if this is also the recommendation of the Committee to seek proposals. Councilman Temple asked if there is any way that the City can do this without having somebody out-of-house do it, further asking if it is not the Council's job to make sure that they give the City Manager a directive to make sure things are done right through the Department Heads. Apparently the Council is not doing their job to make sure the City Manager is doing that or that the Department Heads are following through doing things. Councilman Temple went on to state one of things that brought this up was a few months ago he went to Mayor Pro Tem Couture and Councilman Lavender about things he felt were not getting done, and he guesses they approached the Mayor. He thought the Council was going to take care of this themselves instead of paying \$15,000.00 or \$20,000.00 to somebody else to do it. They are going to tell us we are short-staffed and we need to hire people, which we already know and can't afford it. Councilwoman Riddle commented Council has to come up with how we can correct an issue when we can't hire someone and need to come up with all that information anyway. Councilman King stated that they, as a Council, are not equipped to do a thorough assessment of issues that he believes have been going on for over 50 years, it is tough to do and is not in their professional capacity to do that, i.e. understanding how the office works, software works, dealing with customers, etc. The other thing, too, is having an objective point of view on it and a plan of action in place, i.e. we know that point and if that's not followed now we have data to back it up. If they do need to make some changes down the road, that it is not going to be a witch hunt as far as personal transgressions between any of the City staff members. They will view things with an objective lens just like other professionals whether it be public service or private industry, this is how things are done and this is the quota you have to meet, here is the job expectation and here is what has to get done. Staff would also be evaluated on a regular basis and Council has not done this. Councilman King then stated this is what he thinks we need to get for the future and have this plan in place as far as staffing down the road. Councilman Temple commented the only thing they can do is evaluate like they used to do. Councilman King stated we need to have a plan because every four years somebody is buddying with this guy and we would have a point of view on how this should actually work. He is all about fairness here. Mayor Bronson said this kind of analysis is something a human resources department can do and we don't have a human resources department and the Clerk/Treasurer has other things to do. Mayor Pro Tem Couture said if we move forward and this takes place, the only reason he will recommend personally doing something like this is if the Council is willing to make decisions, maybe hard decisions, in the

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future on what the report says. We need to take action; if the path is laid out for us we need to be willing to walk it. This is a decision that has to be made among Council; we can get the Proposals, but he would recommend we need to be willing to take those steps if something comes up that is an obvious and we need to make those decisions. Councilman Lavender added, as a Committee member, DPW Director Karmol's presentation earlier gave the picture of where we are kind of at with the City infrastructure, which is a great example if we keep doing business as usual this is where we are going to end up being at, i.e. up against the wall with the water and sewer infrastructure. This is a tool for us to use and a roadmap to the future for the City, which is all going to be decided by Council. Councilman King commented when you do a study like this and you are assessing the employees or departments, offer a plan of improving and resources, etc., so we can all best serve the community we are here for. We need everything to start with the survey and then have a plan of action down the road. He is not going to ignore the fact that things need to get done. City Manager Eustice interjected this is going to be costly and the cost we did receive with the Proposal was in the \$16,000.00 to \$18,000.00 range. Sending out Request for Proposals does not cost the City anything and thinks it would be a wise choice to seek what the true cost of the Proposals would be and weigh it out and Council can make the choice whether it is worthwhile or not. Mayor Pro Tem Couture asked the City Manager if it is his recommendation to move forward with the RFPs, as well. City Manager Eustice replied he thinks so and it will be a good lesson to take a look at what different groups can do for us. Mayor Bronson suggested they come with a list of different places they have done this for so we have contacts. City Manager Eustice commented if it is cost prohibitive that will be something Council will have to look at, but it can be helpful to have an outside source look at the operations and what we do. He noted we do not have this budgeted, noting he and Clerk/Treasurer Kwiatkowski would have to move some money around. City Manager Eustice said probably the biggest benefit, because we don't have the money to hire anyone, would be contracted employees and different ways to help with our budget, noting it is the same as it was in 1992/1993. This could help us to look at different staffing. Councilman King stated there are retirements on the horizon and we need to have job descriptions and where the training takes place when the new people come in to take over these roles. He has walked into many places where someone has left and there is nothing there for the new person starting up and it can be an uphill battle and burn-out happens really quickly. We need to look at this as an organization to make sure that we set people up with this and in the future, as well. Clerk/Treasurer Kwiatkowski said one recommendation he would make is the RFPs have got to be written in such a way that it gets the information you want and would recommend that once City Manager Eustice gets that ready that the three Committee Members look at it before it is sent out. Mayor Bronson commented he feels the memo from the Committee does a pretty good job of laying out what they are looking for but it would be nice to look at that report.

Councilwoman Kwiatkowski moved to approve the taking of Request for Proposals for an Organizational Analysis for the City of Cheboygan, with the Proposals submitted to the City by February 7, 2018; supported by Councilman Lavender. A roll call vote was taken.

Yes votes: Bronson, Lavender, Couture, King and Kwiatkowski

No votes: Riddle and Temple

Motion passed.

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City Clerk's and Treasurer's Comments:

- **W-2s** – Clerk/Treasurer Kwiatkowski stated he should be finishing the W-2s tomorrow and Council should be receiving them fairly soon. In the next week he will be doing the 1099s.
- **Cemetery Contract** – Clerk/Treasurer Kwiatkowski informed Council the Cemetery Contract was for three years and it is now up and he will be talking to Council. His recommendation would be to continue with Ms. Grace Larson, who does an excellent job, and to be honest with Council he simply does not have the time to take anyone by the hand and spend his summer in the Cemetery. He spent a lot of time even with Ms. Larson out there. He will be bringing something back to Council on that.
- **Audit** – Clerk/Treasurer Kwiatkowski announced to Council the term of the Audit is up, which was a three-year proposal and he needs to know if Council wants to continue with Gabridge or would like to put it out back for proposals. More than likely, the low proposal is going to be Gabridge. He thinks we only had one or two that submitted three years ago, one being Anderson-Tackman, who does an excellent job on the audit but will probably run us anywhere from \$4,000.00 to \$6,000.00 a year more as far as the cost of the audit. Mayor Pro Tem Couture stated aren't we required to send it out for Proposals for contracted services once it is over a certain cost. Clerk/Treasurer Kwiatkowski replied not necessarily. Mayor Pro Tem Couture said he realizes we have probably done it in the past, but what does our Charter or Policy say. Clerk/Treasurer Kwiatkowski responded he does not believe our Charter says anything about contracted services, it is all contained in the Purchasing Policy. It is no problem to do a Request for Proposals. Mayor Pro Tem Couture commented it is up to Policy, he would say. Clerk/Treasurer Kwiatkowski stated he will see what he can find and report back to Council at the next meeting.

City Manager's Report:

- **Inverness Township** – City Manager Eustice reported they have not had a scheduled meeting with Inverness Township yet, noting Mr. Jeff Lawson is finishing interviews with the Township and will then organize a mediation meeting regarding the development project in Inverness Township. This should be done either late this week or early next week. The mediation meeting will consist of two Council members, two Township Board members, he and DPW Director Jason Karmol, with Mr. Jeff Lawson will do the initial mediation to see if we can come to an agreement for the water and sewer contracts for the development project.
- **Facilitation Assistance with Strategic Planning Session & Public Forum for the Redevelopment Ready Communities** – City Manager Eustice informed Council they have an e-mail from Ms. Ann Chastain, who does a lot of strategic planning and does have a consulting firm. He would like to contract with her for two separate items: (1) facilitate a strategic planning session with the Council, tentatively scheduled for Tuesday, February 27, 2018 at 3:00 p.m. to 6:00 p.m. This is a Council meeting night and the time can fluctuate the time a little bit. He would like to do this as soon as possible. City Manager Eustice went on to state he and Ms. Chastain believe we only need one session. We think she can get most of the answers she needs in the three hour session. Out of that strategic planning session, he will develop the Capital Improvement Plan. The Capital Improvement Plan approved in 2015 was only a five-year plan and we need to go to a six-year plan, which is what the State wants to see for grant funding and Redevelopment Ready Communities criteria. City Manager Eustice

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stated he thinks it will be very helpful to get the Council's input. Last year we had some strategic planning sessions and he will get some minutes together from that so Council will know what was discussed at last year's strategic planning session. Some things might change as things change and times change. The Capital Improvement Plan helps the City Manager do an Asset Management so we understand what the Council's needs are and what their priorities are, which is put into the Capital Improvement Plan. He can then assign dollar amounts to that. Almost always in a Capital Improvement Plan there are a lot of projects that aren't reached, but they are still put in the Plan. The projects in the Plan are prioritized as to what the Council wants to work on. City Manager Eustice then informed Council he asked Ms. Chastain to facilitate a Public Participation Forum, which has been scheduled for April 4, 2018 in the Cheboygan Opera House from 6:00 p.m. to 8:00 p.m., Wednesday. He should have a Capital Improvement Plan done for that meeting, which Council will get to see prior to. The Public Participation Forum is a requirement of the Redevelopment Ready Communities, which is City is engaged in. We are trying to get that designation for the City of Cheboygan. It basically will be a session to hear what the priorities of the public are and what they would like to see for the community going forward. We need to identify the projects and review those and see if there is anything within the Public Forum that is something that the City should pursue. Often times you will get a lot of input and feedback that we may already be working on or aware of or may not be feasible, but you will also get some input of things we have not thought of or the public had ideas they have not presented. The Public Forum will be open to the public where someone will be able to present their idea – it will be pretty informal. Also, we are going to put a survey on the website for those folks that don't want to come and speak in public but have ideas they would like to present to the Council. Councilman King asked if the Public Forum is a sign-up activity or can you just show up; is there a moderator; is there a time limit? City Manager Eustice replied Ms. Chastain will moderate it and they expect 40 to 100 people there, with him expecting only 10 to 12 speaking. It will not be done on stage; there will be a podium on the floor and will be pretty informal. He and Ms. Chastain have not discussed how they are going to handle this; it may be the case where she will bring a microphone to the audience member speaking. Councilman King suggested a time set for the speakers. Councilman Lavender stated it would be nice for Council to have the direction on the water and sewer rates before then for public input, as long as DPW Director Karmol is in attendance to answer questions. City Manager Eustice commented that is a good idea and about the right timeframe. Councilwoman Riddle inquired if the \$1,000.00 for Ms. Chastain's services will be coming out of the General Fund. City Manager Eustice replied yes - \$500.00 for the strategic planning and \$500.00 for the public forum. He reiterated from out of the strategic planning he should be able to develop the capital improvement plan. Councilwoman Riddle stated Ms. Chastain has facilitated for the City in the past for strategic planning. City Manager Eustice replied he thinks so, noting Ms. Chastain has also done it for the County and County Commissioners.

Clerk/Treasurer Kwiatkowski asked to comment on a question asked earlier, stating there is no policy requiring the City to take request for proposals for the City audit. The first ten years he was here Rehmann did it and it was finally when Mike VanFleet and others were on Council they wanted it put out for proposals, but there is really not a policy so it is entirely up to Council. Mayor Pro Tem Couture stated so there is no policy required. Clerk/Treasurer Kwiatkowski replied we are required in the City Charter to conduct an audit every year and

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that is all it says. Mayor Pro Tem Couture asked since the City is required to do an audit, you don't need a policy, noting there is a City Policy that over a certain dollar amount it has to send out for proposals for contracted services. Clerk/Treasurer Kwiatkowski said okay, that is the way Mayor Pro Tem Couture is looking at it. Mayor Pro Tem Couture then stated so we do have a Policy that we don't follow. Clerk/Treasurer Kwiatkowski said they never followed it for the audit. Mayor Pro Tem Couture commented they and we are two different things. City Manager Eustice stated he will review that Policy. Councilwoman Riddle stated we should follow that Policy. City Manager Eustice reiterated he will review the Policy, noting we have renewed contracts before. Mayor Pro Tem Couture said sometimes it is just easier and sometimes it makes sense to do that, and in thinking both cases it might be that case; but we can't contradict the Policy. City Manager Eustice stated there may be a clause in there that we can renew existing contracts once they have been sent out for proposals, but this is something new. Clerk/Treasurer Kwiatkowski stated the other thing it might just be a purchasing policy for purchasing goods and thinks it is more geared towards that than services, but they will look it over and let Council know.

City Manager Eustice stated with regards to the contract for Ms. Ann Chastain this is something he wants to do and does not need a motion on that, but needs to know if the times for the two sessions are adequate for Council. Councilman King stated he has a conflict for the first meeting.

- **Recreational Authorities Workshop/Presentation** – City Manager Eustice stated Council has been given a memo regarding a meeting at 5:00 p.m. at Inverness Township Hall next Monday night, January 29, there is going to be a workshop with regards to Recreational Authorities with Mr. Harry Burkholder of the Land Information Access Association. Mr. Burkholder's presentation will be about 45 minutes long on recreational authorities and how they work. Surrounding Township representatives will be there and there might be some other interested citizens, also. City Manager Eustice noted that Mr. Jim Conboy and Mr. Keith Cheli of the MDNR would like to attend, as well. We are calling this a workshop and the City's Recreation Commission will be there and all the City Council is invited. The workshop is informational only and no action will be taken. He explained that Mr. Burkholder has developed recreational authorities in the past. It could be a tough path to assemble an Authority. Mr. Burkholder will also have some other possible ideas if this isn't going to work for us.

Messages and Communications from Mayor and City Council Members:

- **911 Board** – Councilwoman Riddle commented she is involved with the 911 Board and they are currently going through the hiring process for the Executive Director due to the retirement of the current Director. It is a very long and detailed process. On January 29 she will be in Harbor Springs so she will not be able to attend the Recreational Authorities Workshop/Presentation. She went on to state there are some good applicants for the 911 Executive Director and they are going through the final three from six.

- **Council Room Monitors** – Mayor Bronson inquired as to what happened to the monitors. City Manager Eustice stated they are going to try and get them mounted this week, noting they had to order a special bracket for one of the units, indicating where the monitors will be mounted. He then informed Council is should be done by Friday. Councilwoman Riddle

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asked how big the monitors are going to be. City Manager Eustice replied they are 46 inch monitors. He was going to put them up himself, but he would rather Mr. Dave Umbarger of Audio Visual Solutions put them up.

Adjournment:

Mayor Pro Tem Couture moved to adjourn the meeting at 8:02 p.m.; supported by Councilman Temple. 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