

REGULAR CITY COUNCIL MEETING
February 27, 2018

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

Roll Call:

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

Councilwoman Riddle 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 Mayor Pro Tem Couture. Motion carried unanimously.

Approval of Prior Meeting Minutes:

Councilman King moved to approve the Regular City Council Meeting Minutes of February 13, 2018 as presented; supported by Councilwoman Kwiatkowski. Motion carried unanimously.

Department, Boards and Commission Reports:

■ **Downtown Development Authority Board Meeting, February 6, 2018** - Received and filed. Councilwoman Riddle asked if the LED lights got put up in some areas for the DDA members to check out. City Manager Eustice stated he does not think they are up yet, but should be pretty soon. He called Mr. Dobrowolski to do some wiring changes, noting there are three locations for test sites. Councilwoman Riddle asked where the three locations are. City Manager Eustice replied in the front of the Dairy Queen, around the Creation Station area, and one closer to Festival Square on this side of the street. They should be a whiter light. Councilman King commented they should be a lot sharper light and not in your face where you would be blindsided. Councilwoman Riddle asked if there is a date by which we have to inform we are going with the LED lights. City Manager Eustice stated it will go back to the DDA Board in March to determine if that is the direction we are going to go, if they are up in time. If not, we will have to back it off somewhat. Mayor Bronson inquired if there is a time limit from Consumers Energy on the grant. City Manager Eustice stated he did not think so, as long as it is done this year.

■ **2017 Annual Report, Department of Public Works – Jason L. Karmol, DPW Director** – Received and filed; DPW Director Karmol was not in attendance. Councilwoman Riddle congratulated DPW Director Karmol on the Report noting he did a nice job.

Resolutions:

■ **Consideration of Approval of Consumers Energy Form 547 (Authorization for Change in Standard Lighting Contract) to Remove High Pressure Sodium Lights and Adopt the Resolution for the Same** – Clerk/Treasurer Kwiatkowski stated after Council approved the change in the street lights, DPW Director Karmol dropped off these to him about a week later.

Regular City Council Meeting – February 27, 2018

This Resolution is to remove them and the next Resolution is to replace them with the LEDs.

Councilman Lavender moved to approve the Consumers Energy Form 547 (Authorization for Change in Standard Lighting Contract) to Remove High Pressure Sodium Lights and adopt the Resolution for the same; supported by Councilwoman Kwiatkowski. A roll call vote was taken; motion carried unanimously.

■ Consideration of Approval of Consumers Energy Form 548 (Standard Lighting Contract) to Install LEDs and Adopt the Resolution for the Same.

Councilwoman Kwiatkowski moved to approve the Consumers Energy Form 548 (Standard Lighting Contract) to Install LEDs and adopt the Resolution for the same; supported by Councilman King. A roll call vote was taken; motion carried unanimously.

General Business:

■ **Consideration to Schedule a Public Hearing for March 27, 2018 at 7:00 p.m. for the First Reading of the City of Cheboygan Zoning Ordinance Re-Write/Amendment** – City Manager Eustice stated he was hoping to do this for the first meeting in March but because of the requirement of the 15 day notice and our requirement that it has to come to Council first to set the public hearing, we can't do the first reading until the second meeting in March. He went on to state the Ordinance is complete; the Planning Commission at their February 19 meeting recommended that it go to Council as written, so we are finally going to finalize our new Zoning Ordinance. It will require two public hearings; a public hearing for the first reading and then a second public hearing to approve it. Mayor Bronson asked where copies will be available for people to see. City Manager Eustice replied he can mail copies to Council or make them available at City Hall, noting there are a couple of grammatical corrections that they are working on right now. Mayor Bronson clarified he is not thinking just for the Council but for anybody, asking if it can be placed on the City's website. City Manager Eustice replied yes, noting the document is almost 200 pages. Councilwoman Riddle questioned if there are still corrections being made. City Manager Eustice answered just minor grammatical changes they caught; when this is done he will have copies available for Council or copies will be delivered.

Councilwoman Riddle moved to schedule a Public Hearing for March 27, 2018 at 7:00 p.m. for the first reading of the City of Cheboygan Zoning Ordinance Re-Write/Amendment; supported by Councilman Lavender. A roll call vote was taken; motion carried unanimously.

City Clerk's and Treasurer's Comments:

■ **City of Cheboygan Monthly Operation Fund Reconciliation** – Clerk/Treasurer Kwiatkowski explained to Council that these are all the funds he deals with on a day-to-day basis. At the end of each month he reconciles these funds to the bank statements and at the end of January the balance was \$4,213,654.95 and this balances to the penny with the bank statement. He then asked if there were any questions. Clerk/Treasurer Kwiatkowski then stated he spoke with DPW Director Karmol today about two accounts - 204-000-002-000, Voted Street Funds, which is now at \$122,000 as of today; and 454-000-02-000, 2017 Street Construction Fund (Bond) for W. State Street and that has a balance of \$20,121.44, so right now we have roughly \$142,000.00 available for any street projects. He noted that all the

Regular City Council Meeting – February 27, 2018

numbers are cash with the exception of the Cemetery Fund and Equipment Fund, which are running a negative balance and at the end of the Fiscal Year he does Interfund Transfers to take care of that. Councilwoman Riddle asked why the Cemetery Fund runs in a negative balance. Clerk/Treasurer Kwiatkowski replied historically the only time the Cemetery Fund ever runs a positive balance is at the end of the Fiscal Year. Cemeteries do not make money; they cost. We always do an Interfund Transfer at the end of the Fiscal Year from the City's General Fund, so that supplements the Cemetery Fund and that has gone on for decades. You have to sell a lot of graves in order to fund the operation/maintenance/burials, etc. Councilwoman Riddle asked what the term for the maintenance of the Cemetery is called. Clerk/Treasurer Kwiatkowski explained we have a separate stand-alone fund, not listed on this Reconciliation, called the Perpetual Care Fund. Councilwoman Riddle asked if that Fund comes anywhere near the maintenance on the Cemetery. Clerk/Treasurer Kwiatkowski replied it does and would cover the maintenance. He went on to state it would probably cover the maintenance for about five years, and then it would be depleted. Those funds are in CDs with a balance of about \$160,000.00.

▪ **Budget Report for the City of Cheboygan, Calculations as of February 21, 2018** – Clerk/Treasurer Kwiatkowski stated this Report is where the City is at this point and time as far as the Budget goes. He noted he marked items with “x’s” that did not show up in copying, noting City Manager Eustice will have to do Budget Amendments on these. The big thing is going to be the Contract increases for the AFSCME and Police employees. This is one of the things you cannot factor in until the agreements are passed. The other wild card is how much overtime there is over the winter season. Clerk/Treasurer Kwiatkowski stated the one item that concerns him is the Ice Pavilion Fund, Fund No. 508, explaining their primary revenue comes from ice rental to the bigger users and you can notice the trend over the years where it is going down. He then asked for questions and invited the Council to call him with questions. Councilwoman Riddle inquired on the “x’s that disappeared, although there is a dark dot. Clerk/Treasurer Kwiatkowski stated that would be an “x”.

▪ **Downtown Development Authority Annual Report for Fiscal Year Ended June 30, 2017** – Clerk/Treasurer Kwiatkowski noted this Report is the Annual DDA Report he submits to the State of Michigan. For the first time in a long time the DDA at this time of the year has a positive cash balance, which they have not had for quite some time and they are doing well right now. They retired one debt issue. The interesting thing to note about this Report is on the bottom it shows what is captured from each unit. The Library Operating and Debt will disappear when you look at next year's. Councilman King inquired as to the number of jobs created, being 0, asking if that is administrative needs. Clerk/Treasurer Kwiatkowski replied that is for anything that would be funded by the DDA. Councilman King asked if that is for a permanent job, not part-time. Clerk/Treasurer Kwiatkowski answered that is correct.

▪ **Recycling Fee** – Clerk/Treasurer Kwiatkowski stated the Mayor inquired at the last meeting about the recycling fee. He stated he called the County and was referred to Mr. Dan O’Henley; he spoke to Mr. O’Henley and he said he bases the fee on the expected use by the City and then a percentage comes in. Clerk/Treasurer Kwiatkowski stated he feels he did not get a satisfactory answer and Mr. O’Henley promised to get back with him on how he arrived at the \$500.00 figure.

▪ **Notice of Retirement** – Clerk/Treasurer Kwiatkowski informed the City Council that he is retiring. The date has to be worked out, as there are just a multitude of things in his head that somebody has to take over, so he is going to be meeting with Mayor Bronson and City

Regular City Council Meeting – February 27, 2018

Manager Eustice on Friday. Mayor Bronson commented this is something they will have to deal with. He asked him how many hats he has to share. Clerk/Treasurer Kwiatkowski replied if he listed them they would be in the 30 plus range. Councilwoman Kwiatkowski thanked him, stating he has done a great job. Clerk/Treasurer Kwiatkowski thanked her.

City Manager's Report:

- **March Board of Review** – City Manager Eustice stated the March Board of Review is scheduled beginning next Tuesday, March 6 with the Organizational Meeting at 5:15 p.m. where he will present the roll for review and approval. The second meeting of the Board of Review will be appeals hearings on Monday, March 12 from 9:00 a.m. to 12:00 noon and 1:00 p.m. to 4:00 p.m., and the second appeals hearing on Wednesday, March 14 from 1:00 p.m. to 4:00 p.m. and 6:00 p.m. to 9:00 p.m. These times should be adequate and are the minimum requirements for the Board of Review. He does not anticipate a great deal of appeals or concerns at this point, but will know more at the Organizational Meeting next Tuesday. City Manager Eustice then noted that Change of Assessments are out for the City of Cheboygan and he has fielded a few calls at this point. He hopes it is not a busy meeting at this point; noting there were not a lot of major changes in the assessments so he does not anticipate a lot of issues. Mayor Bronson commented the cost of living did not go up that much. City Manager Eustice said the taxable value went up about 2.5% to 3.0% and assessments went up about 6.5%. Councilman Lavender asked if we have any pending tax tribunals. City Manager Eustice answered we have one on the Mackinaw Apts., which is an entire Tribunal, and a small claims that he has not gotten a decision on yet. The Mackinaw Apts. is about \$200,000.00 is contention but he thinks we can win that. Councilwoman Riddle asked City Manager Eustice if he is going to have the form at the Board of Review that designates if the taxable value went up by such an amount that that is what your actual taxes have increased because that form is very helpful to people. City Manager Eustice replied sure. Mayor Pro Tem Couture commented the change notice prints the actual dollar amount it goes up. City Manager Eustice this has been done the last couple of years and has been helpful and the percentage of the assessments were much higher than the taxable value. People will look at that assessment change and think their taxes are going up 6.5%, so it does help to have the tax dollar amount on it.
- **Retirement of Sgt. Stephen Warren** – City Manager Eustice informed Council they have an invitation for an Open House for Sgt. Stephen Warren who is retiring March 15, 2018, so a reception will be held March 15 from 3:00 p.m. to 4:00 p.m. in the City Chambers. We have hired his replacement, who started a couple weeks of training time with Sgt. Warren. Mayor Pro Tem Couture asked if we hired another Officer or Sergeant. City Manager Eustice replied we hired another Officer, Aaron Sheler, an entry level position. We don't determine who is going to be the next Sgt. at this point.
- **City of Cheboygan and Inverness Township Mediation for Development Project** – City Manager Eustice informed the Council the first mediation session for the development project will be held March 1st in the County Commissioners Room and mediated by Mr. Jeff Lawson, Cheboygan County Administrator, to try and make a determination on how to get water to the development project area. Hopefully it will not take more than one meeting and we will have an end result of what we are going to do. Councilwoman Kwiatkowski asked if it is an open meeting. City Manager Eustice stated it is not intended to be an open meeting, as there is no quorum of either the Council or the Township Board. He does not know that anybody can't

Regular City Council Meeting – February 27, 2018

sit in it though. It is not intended for any participation in the meeting from the public. He does not know that we can stop anybody from coming into the mediation. Councilwoman Kwiatkowski then asked what time. City Manager Eustice replied 12:30 p.m.

- **Purchasing Policy** – City Manager Eustice said after the last meeting he asked City Attorney Steven Lindsay to write an opinion on the Purchase Policy, noting he does not have it today but should have it by the end of the week. This will then be addressed at the next Council meeting. Then City Attorney opinion will be on the purchase policy and what we can and cannot purchase and what the Council's responsibilities are and what his are, noting he understands what his are but wants to be certain that the Council has the power to do what they need to do. This will give us a consensus of that policy, as we have two issues that are pending – one being the Cemetery Contract and the Assessor Contract. The Cemetery Contract is up now and the Assessor Contract is up April 1.

- **Organizational Study Analysis** – City Manager Eustice reported the Request for Proposals for an Organizational Analysis was awarded at the last meeting to Rahmberg Stover. He has had some conversations with Mr. Jeff Rahmberg; he wrote him a letter to tell him we awarded the Contract to them. Mr. Rahmberg left him a voice mail and wants to have a phone conference between them, and then set up a game plan on how they are going to approach that Analysis, which will take 12 to 14 weeks. Once he gets here and gets familiar with our City, maybe that timeframe will be a little more condensed. Apparently Mr. Rahmberg is pretty busy because the City Manager has sent him a couple of e-mails and Mr. Rahmberg has not responded in the last couple days. We will get that set and get that moving so we have an idea before the next budget year hits.

Messages and Communications from Mayor and City Council Members:

- **Street Light Outages** – Councilman Temple informed the City Manager that the street light on W. First Street behind Parkview Apartments is on day and night for at least the last week, and it is costing us money. City Manager Eustice stated we are paying the electric bill noting it is probably an armed light and we will look at that and does not know why that would stay on unless a sensor is dirty or plugged up. Councilman Temple confirmed it is an armed light.

- **March Board of Review** – Mayor Pro Tem Couture informed Council he will only be able to make the Monday meeting, one out of three meetings. He cannot attend the other meetings as he has other obligations in another City.

- **Recreation Commission Meeting of February 21** – Mayor Pro Tem Couture commented on the Recreation Commission meeting he attended last week. He stated they talked about it a little bit earlier today and talked about what the Commission's initial goals are. In his opinion he thinks that we first need them to define our Recreation Department and review the process and get it all under one roof or separate it out however it needs to be done. Before anything can move forward, we need to start the process with the Recreational Authority, if that would be the wishes, we need that to be done. Those line items should be laid out and under the Recreation Plan. We need our Recreation Plan so we can define what our needs would be before we can go to a township or another municipality to work together. He does not know who gives the Recreation Commission direction, but it just seems like the conversation, although all good, spins in a circle quite a bit in those meetings. With some direction and focus it may help. Mayor Pro Tem Couture also noted one of the members who has not been there was there last week, which was nice to see but he knows after speaking with Mayor

Regular City Council Meeting – February 27, 2018

Bronson a little bit about it, maybe we should look into expanding the number of members on the Commission to get some additional ideas or input. He knows some of the hold back on that was the statute/rules we have to go by. He wants to keep this on the burner. Mayor Bronson stated when he talked with City Manager Eustice about expanding the Commission it would be a change in Charter and we need a public hearing, as he recalls. City Manager Eustice stated that was correct. Mayor Bronson stated if that is the case maybe we need to get that going. Mayor Pro Tem Couture stated a lot of Council's talks in coming up with budget, one of the major General Fund taps, as we can call it, is the recreation. It doesn't generate any income. We need to find projects that we can do so that we can look at funding or what we can and can't afford to do in that regard. He feels this is crucial and it is going to take some active work, whether it is that Commission or Council to perfect and get that in line. It is going to take not one meeting a month for a couple hours; that is not going to do it. Mayor Pro Tem Couture said he thinks it is more important than that at this stage.

▪ **Signage and Law Questions** – Councilman King states he has questions on signage and clarity on some of our laws regarding bikes in the City. We have been trying to become more accessible, questioning where bikes are allowed and not allowed, especially in our downtown area. Is it still that bikes cannot be on sidewalks or is that a loose area. He is not sure Ordinance wise what has been adopted; if they can't be on the sidewalk where do they go; and what are the approved routes for biking in the City and so on. City Manager Eustice stated bikes are not supposed to be on the sidewalks, asking Chief Jones for clarification. Chief Jones stated bikes should be on the right hand side of the road, where cars park along in the parking area, which is dangerous, too, because bikers have to be aware of car doors opening. The reason it is posted downtown in the sidewalk area is because of bikes flying down the sidewalks when people are going in and out of businesses. Chief Jones then explained to Council previous accidents with bikes on sidewalks. He noted that for the most part bike riders abide by the rules; there will be a few youngsters that are too young to know better. Councilman King commented bikes are picking up more and more. City Manager Eustice stated we are certainly trying to be more bicycle friendly, noting we built the bike lanes from the Trailhead down Division to Festival Square last year late in the season. They will be putting signage up this year for people coming off the Trail to get downtown to Festival Square to park and walk.

Councilman King then asked when the parks close and when do they open because somebody actually got pulled over going through the loop at Gordon Turner Park. Is the Park open at 5:00 in the morning when somebody wants to grab their breakfast before they go to work and look at the water? Is it illegal to go through the loop at any point; if it is, why is there not a gate there to keep people from going in during specific closed times. What is the law, is it a street or a Park? City Manager Eustice asked Chief Jones what the opening time is for Gordon Turner Park. Chief Jones replied usually daybreak. The Park closes at 10:00 p.m. because in the past there was a lot of people hanging out down there keeping the boaters awake, but it is not to say you can't go down there to cruise the beach and/or sit and watch the freighters. It just gives the Police Department a patrol time if folks are gathering over in the corner.

▪ **Street Light Outage** – Councilwoman Kwiatkowski stated the street light on Duncan and Harrison is out. Councilman Temple added there is a street light out also at the corner of Garfield and Seventh.

Regular City Council Meeting – February 27, 2018

- **Street Repairs** – Councilman King inquired on dips where we have gone through for the water projects, especially on the east side, and the needed street repairs this time of year, asking if there is going to be any kind of repairs. City Manager Eustice stated he will talk to DPW Director Karmol and they will look at these, stating this was an issue with Huron Street and it is one the reasons they need to repave that street the because there were multiple dips as you go down toward City Beach. Councilman King stated with the all the new construction that has been done it is evident because these are forming now. City Manager Eustice again stated they will look at all those and maybe they will cut out and repair. He explained that a lot of the dips on Huron Street are caused by the storm sewer that runs under the road; it settles and then the road caves in on it. Councilman King then asked if the Huron Street project will be similar to the Main Street project where we dug all the way down, noting Main Street has held up pretty well from the project. City Manager Eustice stated for the water and sewer main project it is not as extensive as what was done on Main Street. We will not be opening up the entire road, only parts of the road where the utilities are located and repair those areas and put in good soil, sand and stone in there. Hopefully, the road repair going to City Beach will be a little more extensive. They will get the base of that road in much better shape.
- **March 13, 2018 City Council Meeting** – Councilman Lavender announced that he will not be able to make the first Council meeting in March, as he has too many obligations with the Townships. He also congratulated Clerk/Treasurer Kwiatkowski on his retirement. Clerk/Treasurer Kwiatkowski replied thank you.

Adjournment:

Councilman Temple moved to adjourn the meeting at 7:45 p.m.; supported by Mayor Pro Tem Couture. 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