

REGULAR CITY COUNCIL MEETING

January 12, 2021

The Regular City Council meeting was called to order by Mayor Tebo via teleconference at 7:00 p.m.

Roll Call:

Present: Johnston, Tebo, Mallory, Kwiatkowski, Raab, Brandt

Absent: Hocquard

Public Comments:

- Ms. Catherine Schulz commented on the conversation at the last council meeting regarding short term rentals in residential neighborhoods. She has an issue with allowing short term rentals in residential neighborhoods when there are areas currently zoned for those properties. She also commented that she would like to see the Residential Registration Ordinance completed before addressing short term rentals.
- Mr. Ray Lofgren commented that in his opinion public funds should not be spent on private development in regards to the Cheboygan Estates Project. He also agrees with the comments made by Ms. Schulz.
- Ms. Sharen Lange with the Cheboygan Economic Development Group and the County EDC commented that she is hopeful to see new Councilmembers and Commissioners attend training. She also commented that taxpayer dollars should be used to better the community and housing is a concern for the development of the City. She also discussed changes that have been made to the board membership of the Economic Development Group including the addition of a seat for a Councilmember.
- Ms. Connie Rieger commented that she is interested to hearing the council discussion regarding the Rental Registration Ordinance.
- Mr. Louis Vallance commented that the City is putting taxpayers in binds by not providing services. He inquired if the USDA loan on the agenda for approval tonight would include the expansion of the water and sewer system from Lafayette East to Butler Road and Vanyea Rd. He also commented that the downtown wifi is still not working.

Council Response to Public Comments:

- City Manager Eustice responded that the committee will reconvene and review the Rental Registration Ordinance, there is a completed draft they just need to determine the fee.
- City Manager Eustice also commented that he wants to revisit the Vacation Home Rental Ordinance and get more public input, he believes the current ordinance is difficult to enforce.
- Mayor Pro Tem Johnston requested the Rental Registration Ordinance be brought to Council in February.
- City Manager Eustice responded that there are no plans to expand water services to Butler and Vanyea Road.

- City Manager Eustice reported that the wifi downtown is currently working but the service has been inconsistent and Airnorth is going to be raising their rates soon. He is working with Katie Duczkowski, Interim Director DDA/Main Street and Charter to find a better service.

Approval of Amended Agenda and Receive and File All Communications:

- Councilwoman Brandt moved to approve the Amended Agenda with the addition of 9-B Consideration to approve the City Manager to apply to USDA for the sewer system evaluation study not to exceed \$2.5 million and the moving of current agenda item 9-B Consideration of Cheboygan Estates Site Condominium Plan to 9-C and receive and file all communications, seconded by Mayor Pro Tem Johnston. Motion carried unanimously.

Approval of Prior Meeting Minutes:

- Mayor Pro Tem Johnston moved to approve the Special City Council Meeting minutes of December 17, 2020 as presented, seconded by Councilman Kwiatkowski. Motion carried unanimously.
- Councilwoman Brandt moved to approve the Special City Council Meeting minutes of December 19, 2020 as presented, seconded by Councilwoman Raab. Motion carried unanimously.
- Councilwoman Raab moved to approve the Special City Council Meeting minutes of December 22, 2020 as presented, seconded by Mayor Pro Tem Johnston. Motion carried unanimously.
- Councilwoman Raab moved to approve the Regular City Council Meeting minutes of December 22, 2020 as presented, seconded by Mayor Pro Tem Johnston. Motion carried unanimously.
- Councilwoman Brandt moved to approve the Special City Council Meeting minutes of January 3, 2021 as presented, seconded by Mayor Pro Tem Johnston. Motion carried unanimously.

Communications and Petitions:

- Mr. Todd Preseau, Assessor's Plat Mackinaw Avenue.
 - City Manager Tom Eustice explained that approximately 14 years ago the properties along Mackinaw Avenue and First Street were replatted to correct multiple property encroachments. Some of the property lines are still incorrect and, property owners are unable to obtain title insurance or mortgages. City Attorney Stephen Lindsay advised City Manager Eustice that the matter is a civil issue between the property owners. City Manager Eustice explained that to correct the issue every lot would need to be surveyed and certified.
 - Mr. Todd Preseau commented on his concerns with this issue not being resolved. He cannot obtain a clear title or mortgage on his property and he also lost a significant amount of frontage when the lot lines were changed.
 - Councilwoman Brandt moved to authorize the City Manager to spend up to \$10,000 to get Mr. Preseau and other property owner's lines figured out so that all property can be insured by any title company, seconded by Mayor Pro Tem Johnston. A roll call vote was taken, motion carried unanimously.

Bills and Disbursements:

- Prepaid Bills and Disbursements for the Month of December 2020.
 - Kwiatkowski moved to approve the prepaid bills and disbursements for the month of December 2020 in the amount of \$589,323.82, seconded by Councilwoman Brandt. A roll call vote was taken, motion carried unanimously.
- Unpaid Bills and Disbursements for the Month of December 2020.
 - Councilwoman Johnston moved to approve the unpaid bills and disbursements for the month of December 2020 in the amount of \$221,978.67, seconded by Councilman Kwiatkowski. A roll call vote was taken, motion carried unanimously.

General Business:

- Consideration to Approve City Manager Eustice to Apply for a USDA Loan for the Water Tower and Water Project in the amount of \$5,547,000.00.
 - Councilwoman Brandt moved to approve the City Manager to apply for a USDA Loan for the Water Tower and Water Project in the amount of \$5,547,000.00, seconded by Councilwoman Raab. A roll call vote was taken, motion carried unanimously.
- Consideration to Approve the City Manager to Apply for a USDA Loan for the Sewer System Evaluation Study, not to exceed \$2.5 million.
 - Councilwoman Raab moved to approve the City Manager to Apply for a USDA Loan for the Sewer System Evaluation Study, not to exceed \$2.5 million, seconded by Councilwoman Brandt. A roll call vote was taken, motion carried unanimously.
- Consideration of Cheboygan Estates Site Condominium Plan.
 - City Manager Eustice reported that this is the first phase of the project and would include ten units along Western Avenue. The Planning Commission made the recommendation to Council at a meeting on January 4, 2021 to approve the plan with the addition of a service road. City Manager Eustice reported he met with Mayor Tebo, DPW/Water/Wastewater Director Jason Karmol, Chief of Police Kurt Jones and Greg Elliott to review the plan and discuss safety concerns. The State Police will do a traffic count and make a recommendation to reduce the speed limit coming into town which will be safer.
 - Mr. Greg Elliott reported that they would have to remove up to nine lots from the overall plan if a service drive is required.
 - Mayor Pro Tem Johnston moved to approve the Cheboygan Estates Site Condominium Plan contingent on the Master Deed and Bylaws being approved by the City Attorney, seconded by Councilwoman Raab. A roll call vote was taken, motion carried unanimously.

Committee Updates:

- Councilman Mallory reported that the DDA met up with representatives from Michigan Main Street and organized upcoming projects across the subcommittees including branding.
- Councilwoman Raab inquired whether the City had received any applications for the Historic Resource Committee. Clerk/Treasurer responded that there are at least two applications on file.

- Councilwoman Brandt reported that she sat in on the Housing Commission meeting, there are some plans to redevelop current housing and will bring additional information back to Council as it's received.

City Clerk's and Treasurer's Comments:

- Clerk/Treasurer reported that there is a tentative date scheduled for training with MSU Extension on February 11th, she will send additional details as soon as she knows more.

City Manager's Report:

- City Manager Eustice reported that the new roof has been installed at the Recreation Center.
- City Manager Eustice reported that he met with Jason Karmol and Trevor Wagonmaker from Hubbell Roth and Clark. He does not think that the project can be amortized for less than forty years but the improvements need to be made, we will likely be under administrative consent soon.
 - Councilman Kwiatkowski commented that he is concerned with the Sewer Fund due to the large professional service invoices. He inquired how the bar screen would be paid for which is scheduled to be completed this fiscal year. City Manager Eustice responded that the funds would be borrowed from the General Fund and reimbursed from the State Revolving Fund loan when it's funded in September of 2021.

Messages and Communications from Mayor and Council Members:

- Mayor Tebo reported that he received a response from Meijer, they have no date scheduled to build a new store in Cheboygan at this time.
- Councilman Mallory inquired if the City is able to refinance current loans. City Manager Eustice responded that he is working with Thrun Law Firm on financing options.
- Councilman Kwiatkowski moved to excuse Councilman Hocquard, seconded by Councilwoman Raab. Motion carried unanimously.
- Councilman Mallory discussed the possibility of the DDA taking on more expenses such as utilities.
- Councilwoman Brandt commented that Bishop's have created a turnaround for the City plow trucks. She commented that she would like to see the walking bridge elevators repaired. She inquired if anything is moving forward with the bunny wall. She also inquired how many medical and recreational marijuana permits have been issued.
 - City Manager Eustice responded that six permits have been issued for each type of licenses and reported the names and locations of the permitted businesses.
 - Ms. Catherine Schulz reported that the Recreation Commission and the Planning Commission were looking at plans for capacity building and then apply for funding to help repair the elevators.

Adjournment

- Meeting adjourned at 9:05 p.m.

Mayor Leslie A. Tebo

Clerk/Treasurer Bridget E. Brown

Councilman Brett Mallory

Councilwoman Ashley Brandt

Councilman Ken Kwiatkowski

Mayor Pro Tem Sara Johnston

Councilwoman Diane E. Raab

Councilman Kasey Hocquard