

REGULAR CITY COUNCIL MEETING

January 11, 2022

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

Roll Call:

Present: Kwiatkowski, Tebo, Raab, Mallory, Darling, Mills, and Hocquard.

Absent: None

Approval of Agenda and Receive and File all Communications:

- Councilwoman Raab moved to approve the agenda and receive and file all communications, seconded by Councilman Kwiatkowski. Motion carried unanimously.

Approval of Prior Meeting Minutes:

- Councilwoman Mills moved to approve the Regular City Council meeting minutes of December 14, 2021, as presented, seconded by Councilman Hocquard. Motion carried unanimously.

Departments, Board and Commissions:

- Office of Emergency Management, December Monthly Report.

Bills and Disbursements:

- Prepaid Bills and Disbursements for the Month of December 2021.
 - Councilwoman Raab moved to approve the prepaid bills and disbursements for the month of December 2021 in the amount of \$542,863.08, seconded by Mayor Pro Tem Mallory. A roll call vote was taken, motion carried unanimously.
- Unpaid Bills and Disbursements for the Month of December 2021.
 - Councilmen Kwiatkowski moved to approve the unpaid bills and disbursements for the month of December 2021 in the amount of \$65,093.45, seconded by Councilwoman Mills. A roll call vote was taken, motion carried unanimously.

Proclamations/Resolutions:

- Consideration of Issuance of New Downtown Liquor License, Class C.
 - Councilwoman Raab asked if it was the last license that was to be distributed.
 - City Manager Sabolsky said that we are going to look into how to get more licenses but this is the last one to distribute at this time.
 - Councilwoman Raab moved to approve the Resolution Authorizing the Application for a Downtown Liquor License, Class C for Libby's Downtown, LLC of 411 Main Street Cheboygan, seconded by Councilman Hocquard. A roll call was taken, motion carried unanimously.

- Consideration to Adopt a Credit Card Policy
 - Mayor Pro Tem Mallory moved to approve Consideration to Adopt a Credit Card Policy Seconded by Councilwoman Mills. A roll call was taken, motion carried unanimously.

General Business:

- Consideration to Appoint John Stritmatter to the Main Street Downtown Development Board of Directors
 - Councilwoman Raab moved to Appoint John Stritmatter to the Main Street Downtown Development Board of Directors, term to expire September 13, 2022, seconded by Councilwoman Darling. Motion carried unanimously.
- Consideration of Site Plan
 - City Manager Sabolsky explained how this was approved by Planning Commission. Condition that the parking does need to be paved by the end of this year. They also have to do their drainage plan.
 - Councilman Kwiatkowski moved to approve the Site Plan Application for Straits Leasing, LLC located at 601 Riggs Dr, Cheboygan, MI. Seconded by Councilwoman Raab. Councilman Hocquard abstained from voting. A roll call was taken and motion was carried.
- Consideration of Social Media Policy
 - Councilman Hocquard moved to approve the Social Media Policy for the City of Cheboygan as presented. Seconded by Councilwoman Darling. Motion carried unanimously.
- Consideration to go into Closed Session
 - City Manager Sabolsky mentioned to go into closed session to discuss private financial documents as well as leases provided by the owners of the property.
 - Mayor Pro Tem Mallory moved to go into closed session to consider the purchase of Real Property. Seconded by Councilwoman Mills. A rollcall was taken. Ayes by Councilman Kwiatkowski, Councilman Hocquard, Councilwoman Darling, and Mayor Tebo, Mayor Pro Tem Mallory, and Councilwoman Mills. Nays by Councilwoman Raab.
 - At 7:15pm, public attendees of the meeting exited while Council, City Manager Sabolsky, Clerk Singles, Treasurer Brown, Executive Assistant Clear, and Interim Director Duczkowski stayed and closed meeting was in session.
 - Councilman Hocquard moved to reconvene. Seconded by Mayor Pro Tem Mallory. Motion was carried unanimously.
 - Closed Session ended 8:05pm.
- Consideration to Adopt a Resolution to Allow City Manager to Sign Buy and Sell Agreement
 - City Manager Sabolsky asked Council to sign a Buy and Sell agreement. Explaining that it is an offer, not an actual purchase of property. There are outlines of some conditions such as environmental review, appraisal, inspection; similar to buying a house. Wants to proceed so appropriate due diligence can be done for 220 Water Street. Explained that in our Masterplan, it mentions to create and maintain access along both sides of the river and to create a river boardwalk on the west side of the river. Sabolsky also explained how the DDA TIF plan that was just passed at the last council meeting has ideas and plans on improving City waterfront property and river boardwalk projects if

possible. After looking into the property, City Manager would come back to Council to see if they would approve the purchase and financing of the property. Sabolsky also explained that if there were to be issues with property/building, there are opportunities to exit the purchase. Sabolsky said that there are tenants of the building currently that would allow revenue to pay any of the debt service that the City may have on the property and would allow time to look for funds, grants and look into what we should do for future development of the property. Will approach DDA for a partnership with this project since it is in their plans as well.

- Mayor Pro Tem Mallory moved to approve the Resolution to Allow City Manager to Sign Buy and Sell Agreement for 220 Water Street, Cheboygan, MI. Seconded by Councilwoman Raab. A roll call was taken. Ayes by Councilwoman Raab, Councilman Hocquard, Councilwoman Darling, Mayor Tebo, Mayor Pro Tem Mallory, and Councilwoman Mills. Nays by Councilman Kwiatkowski.

City Clerk's and Treasurer's Comments:

- Revenue & Expense by Fund as of December 31, 2021.

City Manager's Report:

- City Manager Sabolsky told Council Jason Karmol got an estimate to fix the 2 stage pistons for elevator number 2. The estimate is \$45,000. City and DDA are looking into some alternatives and Sabolsky has a meeting with an engineering firm for a quote so we can see what to do. If the City were to put in some kind of ramp, we would need the property we discussed in order to do so. Sabolsky said that it cost about 30,000 to fix the elevator last year, a little over half was paid by DDA and other half was paid by the City. The Purple Tree Project, which is those five apartments on Main Street, we have the final draft of the development agreement. Update on Housing Commission. Councilwoman Mills asked Sabolsky to look into something. Steve Lindsay is currently working on it. Discussion on a Declaration of Trust that was issued years ago, that said the land that is used for the housing is restricted to housing and housing only. There was an issue that they thought that the Declaration of Trust applies to all the City park. Steve is also working on that we fully understand the process to decommission and to turn the Housing Commission to a non-profit agency. We will have to sign off on that process eventually so Steve is making sure everything is understood for our role. Sabolsky reported that DDA Interim Director Katie Duczowski will not be returning after the birth of her baby. At this time, the City is going to make sure that the relationship with the DDA is clear. Wants to clearly spell out to the new hire if they are a City employee or not and what they are entitled to so there's no confusion. For the Fiscal Recovery Funds, Treasurer Brown and Sabolsky have to finish that and go over what was sent to them on Monday. Staff meeting will be on Thursday, if Council has questions or concerns to let Sabolsky know.

Committee Updates:

- Councilwoman Mills had a Housing Commission meeting on the 15th of December. Notice of Annual Plan was posted and is online. They have a 6% budget increase for all staff, 3% for 2021 and 3% for 2022. They looked into getting cameras on remote sites but they are too

expensive at this time. Housing staff is having to budget and install panic buttons in their office due to so many angry tenants threatening bodily harm. Draft budget has approved to go forward, 326,000 for the next fiscal year. For housing rehab on Cleveland and Cuyler, they will be having a meeting with the tenants to explain they will have to relocate the tenants in those buildings. Don't know where new units are going to go yet. Steve Lindsay working on what Sabolsky reported on in his City Managers Report.

- Councilwoman Raab had a Historic Resources Commission meeting in which they discussed that their current ordinance is not compliant with State law. The HRC has been putting in lots of hours to redo it. They presented to Sabolsky where then he went in and made some changes/suggestions. They are continuing to work on the ordinances. They are still looking for members, and they learned that the members have to live within City limits so they will continue to look for more people.
- Mayor Pro Tem Mallory asked about the details of Hometown Heros, if the contract was being drafted/worked on since some of the area is DDA jurisdiction and some is not. Sabolsky confirmed the contract is still being worked on.

Messages and Communications from Mayor and Council Members:

- Councilman Hocquard asked about the water and sewer agreement with Inverness Township. Sabolsky said that they hired Budzinski and Associates to do a water and sewer rate study for us. When they come back with those numbers, that will help finalize that arrangement.

Adjournment:

- Councilman Ken Kwiatkowski moved to adjourn the meeting at 8:26pm, seconded by Mayor Pro Tem Mallory. Motion carried unanimously.

Mayor Leslie A. Tebo

Clerk Alyssa Singles

Mayor Pro Tem Brett Mallory

Councilwoman Diane Mills

Councilman Ken Kwiatkowski

Councilman Kasey Hocquard

Councilwoman Diane E. Raab

Councilwoman Mary Darling

