

REGULAR CITY COUNCIL MEETING

August 9, 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 Bedwin.

Absent:

Approval of Agenda and Receive and File all Communications:

- Councilwoman Mills moved to approve the agenda and receive and file all communications. Seconded by Councilwoman Darling. Motion carried unanimously.

Approval of Prior Meeting Minutes:

- Councilman Kwiatkowski moved to approve the Regular City Council meeting minutes of July 19, 2022, as presented. Seconded by Councilwoman Raab. Motion carried unanimously.

Recognition – Special Visitors:

- From the Northern Michigan Association of Chiefs of Police, Chief Joel Jett from the City of Alpena and Chief Todd Woods from the Village of Mackinaw City came to recognize Chief Jones' 42 years of service and presented him with a certificate of appreciation and with a plaque to honor his years of service on behalf of the Northern Michigan Chiefs of Police.

Departments, Board and Commissions:

- Office of Emergency Management Monthly Report, July.
- Cheboygan Fire Department Monthly Report, July.

Bills and Disbursements:

- Prepaid Bills and Disbursements for the Month of July 2022.
 - Councilwoman Mills moved to approve the prepaid bills and disbursements for the month of July 2022 in the amount of \$1,161,478.22. Seconded by Councilwoman Darling. A roll call vote was taken, motion carried unanimously.
- Unpaid Bills and Disbursements for the Month of July 2022.
 - Councilwoman Raab moved to approve the unpaid bills and disbursements for the month of July 2022 in the amount of \$53,230.67. Seconded by Mayor Pro Tem Mallory. A roll call vote was taken, motion carried unanimously.

Resolutions/Proclamations:

- Resolution of Special Recognition.

- Councilman Kwiatkowski moved to approve the Resolution of Special Recognition to the City of Cheboygan Chief of Police Kurt R. Jones for his 42 years of service. Seconded by Councilwoman Mills. A roll call vote was taken, motion carried unanimously.
- Mayoral Proclamation Celebrating 100 Years of the Rotary Club of Cheboygan.
 - Councilwoman Raab thanked Mayor for the symbolic key to the City. All of the Rotary Club members are thrilled.
 - Mayor Pro Tem Mallory moved to approve the Mayoral Proclamation for the Rotary Club of Cheboygan. Seconded by Councilwoman Mills. A roll call vote was taken, motion carried unanimously.
- Local Governing Body Resolution for Charitable Gaming License.
 - Clerk Singles told Council that Steve Brisson of the Northland Players brought this resolution to their attention. They need this resolution passed in order to raffle off a quilt.
 - Mayor Pro Tem Mallory asked why this was brought in front of Council when there are raffles all the time.
 - City Manager Sabolsky said most of the time, people have raffles without the proper paperwork. The Northland Players wanted to make sure they were doing it properly, so they called to the State and the State informed them that they need this resolution passed.
 - Councilwoman Raab asked regarding the Northland Players applying for a raffle license as that is what they did for the Rotary Club just recently.
 - Chief Jones said it is regulated by whether its given away at a one-time event or if there are multiple sales. Also depends on the value of the item. There are a lot of variables to this. Said the Northland Players are doing the right thing.
 - Councilwoman Mills asked if they are approving a blank form. If it is a blank form, she cannot support it.
 - Sabolsky responded that Council would be giving the authority to fill in these blank spots and that the motion needs to be either carried or denied. After the meeting, the spaces will be filled in.
 - Mayor Pro Tem Mallory asked if this was for a one-time approval? A year?
 - Sabolsky said that Council could put specifics in there.
 - Councilwoman Raab said that when you fill out the raffle application, you need to put the day, location, how long the raffle will go on, and it doesn't need Council approval. She didn't need Council approval for the special liquor license for the Rotary event or for their 50/50 raffle.
 - Sabolsky said specifics can be added. Such as "approval for quilt raffle", etc.
 - Councilman Kwiatkowski said that he has filled out many of these forms.
 - Mayor Pro Tem Mallory moved to approve Northland Players' Local Governing Body Resolution for Charitable Gaming License for one-time quilt raffle. Seconded by Councilman Kwiatkowski. A roll call vote was taken. Nays by Councilwoman Mills. Ayes by Mayor Pro Tem Mallory, Mayor Tebo, Councilwoman Darling, Councilwoman Raab, Councilman Bedwin and Councilman Kwiatkowski. Motion carried.

General Business:

- Consideration of Planning Commission Annual Report – July 1st, 2021 – June 30th, 2022.
 - Councilman Kwiatkowski moved to approve the Planning Commission Annual Report – July 1st, 2021 – June 30th, 2022 for the City of Cheboygan. Seconded by Mayor Pro Tem Mallory. A roll call vote was taken, motion carried unanimously.
- Ice Rink Emergency Repairs.
 - Sabolsky said the amplifier pumps at the ice rink have three fans that provide air flow to those pumps. One fan has been out and the other two will soon go out. In anticipation to have this fixed before the season opens, we did get a bid from a local company to fix it. Their estimate was about \$18,000. Asking for \$20,000 just incase they find other problems while they are fixing this problem. Sabolsky is trying to get on the agenda for the Hockey Association to talk with them. If we will be opening for the season in the fall, this needs to be addressed as soon as possible.
 - Councilman Kwiatkowski stated that this will be a general fund expenditure.
 - Sabolsky said the recovery funds could be used as well. That is what the plan is. Sabolsky said he doesn't want to touch the general fund at this moment.
 - Mayor Pro Tem Mallory asked how much does the ice rink bring in every year?
 - Sabolsky said he doesn't have the number for what the ice rink brings in but the short fall is \$40,000. Sabolsky says he doesn't know what else to do. They would not be able to open for the season if this does not get fixed. Will be talking with the Hockey Association for some help.
 - Councilman Kwiatkowski said that the ice rink has its own fund. That is an enterprise fund. Meaning that it has to generate sufficient revenue to cover its expenses. How long will the City's general fund support this? Councilman Kwiatkowski said at some point, something has got to come to a head.
 - Sabolsky asked how long we have been subsidizing the enterprise fund?
 - Councilman Kwiatkowski said for quite a while but never to this amount. He said the Hockey Association ran the ice rink and the City never saw a bill. It was only when the City took over the rink when money started being spent, but never to this amount.
 - Sabolsky said there is not much of a choice today, but Treasurer Blaskowski and himself can sit and figure this out. Maybe discuss at a Finance Committee meeting.
 - Councilwoman Raab asked Councilman Kwiatkowski if he is suggesting just shutting the rink down?
 - Councilman Kwiatkowski said that is something they may have to consider or possibly sell it.
 - Sabolsky said that the Parks and Recreation Commission is looking into ways to create revenue because we provide the baseball diamonds, football and soccer fields, and ice rink for the majority of the County. Looking to form a regional Parks and Recreation Organization to handle some of that. A lot of things in the ice rink facility has been overlooked and half fixed for years.
 - Councilwoman Raab said a lot of things that they bring into the rink such as the pool tournaments and the gun and knife show, has been on hold for the last 2 years.
 - Councilman Kwiatkowski said they aren't big money-making events.
 - Council and Sabolsky discussed different ways the ice rink could bring in more funds.

- Councilwoman Raab noted that even if the City had to sell the ice rink, most likely those repairs would have to be made anyway because most people won't want to buy an ice rink and pay \$100,000 in repairs out the gate.
- Sabolsky commented on Petoskey selling their ice rink and it was purchased by a former NHL player. The building is still available for the community and its citizens, but owned privately.
- Mayor Pro Tem Mallory moved to approve the City Manager to enter into a contract with Arnold's Refrigeration to replace the Hy-Save Liquid Pressure Amplifier Pumps at the Ice Rink not to exceed \$20,000 and for the City Manager to enter discussion regarding the future of the ice rink. Seconded by Councilwoman Darling. A roll call vote was taken. Ayes from Mayor Tebo, Mayor Pro Tem Mallory, Councilwoman Darling, Councilwoman Raab, Councilwoman Mills, and Councilman Bedwin. Nays from Councilman Kwiatkowski. Motion carried.

City Managers Report

- Sabolsky thanked everyone for their help in celebrating the Chiefs retirement and thanked those who were able to attend.
- Sabolsky did get a draft from Hubbell, Roth and Clark, Inc (HRC) on the Opera House and City Hall alone. The estimate for immediate repair costs is 7 million dollars. Any major systems in the building (HVAC, waterlines, electric lines, the foundation of the building) has issues. The whole report was very overwhelming. In the report, there were areas they couldn't get to. Sabolsky is estimating its much more than that.
- Staff will be meeting with HRC soon. If some changes are made to the building, we may have an opportunity to be considered historic. Sabolsky would get an opinion from someone on that. Right now, we are not considered historic.
- Councilwoman Mills asked if it would be cheaper to tear down City Hall, relocate, and the Opera House would be a stand alone and able to apply for historic grants?
- Sabolsky said that was the angle they were trying to go at, but doesn't know if its feasible since the Opera House is right above our offices/building.
- Regarding the Police Chief search, four candidates were interviewed and then it was narrowed down to two. Background checks are being conducted and references are being called. Until a new Chief is chosen, Sabolsky will be the acting Chief. Sergeant White will be dealing with day-to-day operations. The Sheriffs office said they are willing to help us with anything we may need in the time being.
- Councilwoman Raab asked if any of the current officers in our Police Department have applied for the position of Chief.
- Sabolsky said that three people from our Police Department did apply but they didn't make the top four selection of the selection committee.
- Councilwoman Raab asked who was on the selection committee.
- Sabolsky responded that Executive Assistant Clear, Mayor Tebo, Under-Sheriff Cook and Lieutenant Ginop from the Sheriff's Department.
- Councilwoman Raab asked if its normal for the County to be involved in the City's hiring.
- Sabolsky and Mayor Tebo stated that they should be involved.

- The four candidates that were interviewed had Master's Degrees, Chief level experience, one interviewee is the Assistant Chief of Police, etc.
- Sabolsky discussed the experience of the candidates.
- Sabolsky reported that the other day there was a lot of noise and water coming from the basement of City Hall. Johnny Green had to be called in to fix some things. That was an emergency call and it had to be done; unsure of what the bill will be. There is also a valve downstairs that needs replaced. There is someone he knows that had a very similar valve replaced and the cost was \$10,000-\$12,000. Valves are rare at the moment. As soon as the number comes in for that valve, we will have to act in order for the staff to have heat this coming fall.
- Sabolsky reported that the Zamboni at the ice rink has died. We were lucky enough to have a loaner to finish off the rest of the season. We think they will allow us to borrow that Zamboni through the next season. However, if we want to buy a new or used Zamboni, its about a year out to get a used one and a year and a half out to get a new one. Used ones are \$70,000+ and new ones are \$105,000+. \$10,000 has been raised from companies and people for this Zamboni.
- Councilwoman Raab asked regarding buying a Zamboni if the Finance Committee is thinking about selling the ice rink.
- Sabolsky said if you are going to sell an ice rink, its not a bad idea to have a Zamboni with it. Sabolsky is really hoping to raise the money for the Zamboni.
- Councilman Bedwin asked regarding the Zamboni for the upcoming season.
- Sabolsky said he's almost certain they will let us borrow it again. There may have to be a rental fee or a transfer fee for the Zamboni. Sabolsky said it would be a great idea to have a fundraiser of allowing people to ride/drive the Zamboni.
- Councilman Bedwin says that it sounds like with the borrowing of the Zamboni for the upcoming season, it gives us a year to find out what to do with the ice rink.
- Sabolsky responded that it gives us about a month. We have to get the word out that we are looking for a new Zamboni or order a new one. We would have to put the order in in about two months to get the Zamboni in a year.
- Councilman Bedwin says that sounds like a great idea and all but what if 6 months from now we find out that we no longer can keep up with the ice rink, what do we do?
- Sabolsky said we would then sell the Zamboni. Zambonis are also nearly impossible to rent.
- Sabolsky stated that he has a meeting Thursday with K-Marts people. A couple investors and Sabolsky are getting together to have a conversation. He will update Council on what happens.
- Councilwoman Raab asked what the status was on our infrastructure progress. Are we started? Doing anything?
- Sabolsky stated multiple projects that Council has approved and they are moving on such as the water tower and waterline improvements. Many of these things should have been done years ago.
- Councilwoman Raab stated that she is looking for a status update today.
- Mayor Pro Tem Mallory said that now since it's been approved, it all sounds more like behind the scenes engineering type stuff to get it to happen.
- Sabolsky said that we are working as fast as we can on these projects. Right now, they are about a year to two years out.

- Councilman Kwiatkowski said that we are currently paying for sins past. Back when he was Clerk/Treasurer, he could see the Wastewater Treatment Plant back then was obsolete, so he made a plan and presented it to Council to increase water/sewer rates 1-2% every year to build up the capital expenditure fund. Over the 23 years Councilman Kwiatkowski worked for the City, it went in front of Council 3-4 times and each time the motion failed. Everything is falling apart and we don't have the funds.
- Councilwoman Raab asked what is currently going on with Cheboygan Estates.
- Sabolsky stated that he does not know. The guy from K-Mart and another guy who is a partner with Sangster and Elliott, are suppose to be here Thursday in a meeting and they want to discuss with Sabolsky.
- Sabolsky and Council discussed regarding the Stempky – Loomis extension/road.
- Councilwoman Darling said that Chris Sangster told her the other day that they are waiting to clear out all that land before they continue building more homes.
- Sabolsky explained to Council why these projects take years to do. There are many steps that need to be taken to do these projects right.
- Councilwoman Darling asked how she should respond to questions such as "Why doesn't the City want Marshalls to come to town?". Councilwoman Darling suggested the City put out a story in the paper or something explaining to the citizens why.
- Sabolsky asked would the store be in the City limits or in the Township?
- Sabolsky said there have been multiple discussions and newspaper articles explaining this situation. We are not preventing them. Right now we are trying to get our stuff in order so that we, the Townships, and our residents can all enjoy these stores and its not all on the shoulders of the City residents. Sabolsky gave the example of what happened in Gaylord. Gaylord pumped their water and sewer out into the Township and all the development happened in the Township, west of I-75. If you go to the south side of the City of Gaylord there are vacant buildings and storefronts closing down. Then Gaylord had to put in an income tax because all the property tax is being paid out of the Township and they didn't have good 425 agreements. Sabolsky told Council that we were one step away, if Karmol didn't get everything straightened out with our water and sewer, from the State running the City's water and sewer plants.
- Councilwoman Mills stated that there is a lot of property that could be used within the City to have developers use.
- Sabolsky responded that they could market their properties to developers and other Townships. Talked about what is needed to have properties developed and how waterlines and sewer lines need to be properly fixed in order for that to happen. Sabolsky also commented about how if we develop new stores, where would these workers live when there is very limited housing in the area?
- Councilwoman Mills commented about how when developers come and say they are going to build, they don't say they will also be developing housing along with their new development.
- Sabolsky asked where would these new developments get their workers from? Many stores in town can't even find workers right now.

City Clerk's Comments:

- Clerk Singles commented to Council that she had her first election just last week for the August 2, 2022 Primary. Everything went well and they were all balanced at the end of the night.

City Treasurer's Comments:

- Revenue & Expense by Fund, July 31, 2022.
- Sabolsky commented to Council that there is someone coming in to help Blaskowski navigate the Treasurer position since he only got to train with Treasurer Brown for a few weeks.

Public Comments:

- Mr. Bob Friday lives on Western Ave. Commented that Western Ave is a truck route and was not built to be a truck route. Friday has lived there most of his life and he has had 4-5 busted water mains right in front of his house. Currently there are two very large dips in front of his house. Says that his house is moving due to the trucks coming down Western Ave. They are not driving the speed limit of 25 miles per hour. Friday shared a story about a truck going 55 miles per hour. Friday said what he wants is some patrolling on that street. He talked to Sabolsky and Karmol about repairing the dip. He was personally offended when Sabolsky and Karmol said they couldn't fix it. Stated that his house is moving and is cracking on the inside from these trucks. He is certain the watermain will bust again. Friday discussed his disappointment with the roads and the lack of repair done to them. Asking for help. Tired of excuses of why it can't be done.
- Sabolsky stated that he did go out to talk to Friday and the same day, he talked with Chief Jones asking to step up patrol. He did see patrol out on Western Ave.
- Friday responded that the patrolling was done down at the Industrial Park, where the trucks pull out or into.
- Sabolsky said patrol was also near the football field. They are trying their best.
- Friday said he needs an effort to fix the problems on the road.
- Sabolsky talked to Karmol and yes, the lines have collapsed in the past, they are going to continue to sink and that is part of the road that needs to be replaced. Also explained that we have three workers to fix all the roads in the City and they have two months to do so.
- Councilwoman Mills asked regarding speedbumps to control the speed of the trucks.
- Mayor Tebo responded that can only be done on private drives, not public.
- Sabolsky stated that the road needs torn up and waterlines need to be replaced. Until then, the patch will continue to come loose.
- Councilwoman Mills mentioned cameras that take a picture of your license plate and send you a ticket when you're not going the speed limit.
- Those are currently not legal in Michigan.
- Friday stated again he doesn't understand why some asphalt can't be put down and the road leveled. The problem will not go away. Asking for effort to fix the road.

Committee Updates:

- Parks and Recreation are working on their goals that were approved by Council. Their meetings have now moved to 5:00pm every other month.
- Regarding Housing Committee, there was to be a staffing agency out of Traverse City to be the Interim Director, but that didn't happen in the last few months. They are hoping for this to happen in September. With the sudden passing of Terry Keating, the City Manager is looking for someone to appoint to the Housing Commission.
- Finance Committee has not met in a while. The next meeting is next Tuesday.

- Regarding Historic Resources Committee, they are moving forward with the Steering Committee and discussed some grants.
- Regarding the DDA, the Labor Day Bridge walk will be happening. They approved a grant for Majestic Riverview Park for the mural. Also approved a façade grant for Scoops. DDA also discussed changes to by-laws and ordinances.

Adjournment:

- Councilwoman Mills moved to adjourn the meeting at 8:45pm. 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

Councilwoman Mary Darling

Councilwoman Diane E. Raab

Councilman Adam Bedwin