

REGULAR CITY COUNCIL MEETING

March 28, 2023

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

Roll Call:

Present: Kwiatkowski, Raab, Mallory, Darling, Mills, Dodd and Bedwin.

Absent:

Public Comments on Agenda Items Only:

- Louis Vallance commented that he doesn't think that overnight parking lot fees should increase.

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 Raab. Motion carried unanimously.

Approval of Prior Meeting Minutes:

- Clerk Singles commented on a mistake that has been corrected on page 6 of the March 14, 2023 meeting minutes.
- Councilwoman Raab moved to approve the Regular City Council meeting minutes of March 14, 2023, with the amended change. Seconded by Councilwoman Dodd. Motion carried. Mayor Pro Tem Bedwin abstained from voting.

Proclamations/Resolutions:

- Consideration of Mayoral Proclamation.
 - Councilwoman Darling moved to approve the proclamation declaring April 2023 to be Sexual Assault Awareness Month in the City of Cheboygan. Seconded by Councilman Kwiatkowski.
 - Discussion was had regarding the proclamation.
 - Motion carried unanimously.
- Consideration of Mayoral Proclamation.
 - Councilwoman Mills moved to approve the proclamation declaring April 30th through May 6th, 2023, National Small Business Week. Seconded by Councilwoman Darling.
 - Mayor Mallory stated that he received an email from the Small Business Administration asking for support regarding this proclamation. Mayor Mallory expressed his support for small businesses.
 - Motion carried unanimously.
- Consideration of Recommendation of Certified Resolution for a Special License to Serve Alcohol on April 14th – 16th, 2023 at 480 Cleveland Ave (Ice Rink/Pavilion).

- Councilman Kwiatkowski moved to recommend the issuance of a special license to serve alcohol on April 14th – 16th, 2023 at 480 Cleveland Ave (Ice Rink/Pavilion). Seconded by Councilwoman Mills.
- Councilman Kwiatkowski asked if this was for the annual pool tournament.
- City Manager Sabolsky responded that it is.
- A roll call vote was taken. Motion carried unanimously.

General Business:

- Consideration of Overnight Parking Fee Schedule.
 - Councilwoman Mills moved to adopt the City of Cheboygan Overnight Parking Fee schedule, effective May 1, 2023, as presented. Seconded by Councilwoman Dodd.
 - Sabolsky explained to Council that the last time this fee schedule was updated was 2009. Sabolsky looked at the major cities around us and looked at their parking lot fees. This is for overnight parking only. Sabolsky told Council the different ways the fees will be collected such as a QR code on the parking lot signs and a drop box for payment.
 - Councilwoman Mills asked if there are any free parking options within the City limits.
 - Sabolsky responded that there are. There are other lots that you can park in as well as street parking in the spring/summer time.
 - Councilwoman Raab asked where people get the permits for overnight parking.
 - Sabolsky responded that people can get them at the Police station, at Plaunt Ferry or at the front desk at City Hall.
 - Councilwoman Dodd asked regarding the QR code and the details of how it would work.
 - Sabolsky responded that they are still working on the details of the QR code.
 - A roll call vote was taken. Motion carried unanimously.
- Consideration of Revised Procurement Policy.
 - Councilwoman Mills moved to adopt the revised Procurement Policy. Seconded by Councilwoman Darling.
 - Councilman Kwiatkowski said that he is not comfortable with a \$20,000.00 ceiling. It gives an individual the ability to commit a lot of money.
 - Councilwoman Darling asked why the amount allowed needed to be raised.
 - Sabolsky responded that you cannot buy anything for \$5,000.00 these days. If he needs to order four tires for a front-end loader, he is over that amount. Every time the road collapses, he is put in a position to spend money that he technically should not be spending because of the dollar limit. Most municipalities have a limit of \$25,000.00; that is also the Federal guidelines. He explained how there is verbiage in this policy that Council will always stay informed on the spending. For example, if there is something to be purchased within that \$10,000.00-20,000.00 dollar range, Sabolsky needs to inform Council of what he purchased and why.
 - Mayor Pro Tem Bedwin asked when the last time this policy was updated.
 - Sabolsky said the last time this was edited was 2018, he doesn't know what they worked on prior to that.
 - Councilman Kwiatkowski asked if Sabolsky is allowed a \$20,000.00 dollar ceiling, is the Council going to find out about the funds committed before they are spent or after the fact.

- Sabolsky said it would be after the fact. If he had to spend the money, he would let Council know. He cannot spend anything unless it's in a budget and there is money somewhere. If he doesn't know where the money is going to be coming from, then he would have to come to Council for help. He wants the ability to act when we have to act. For example, if it's an emergency or we have the opportunity to get a piece of equipment. Sabolsky also commented on a change he made on page one of the policy. 1-A, there should be a period after 'City' and strike the verbiage after that.
- A roll call vote was taken. Ayes from Mayor Mallory, Mayor Pro Tem Bedwin, Councilwoman Raab, Councilwoman Mills, Councilwoman Dodd and Councilwoman Darling. Nays from Councilman Kwiatkowski. Motion carried.
- Consideration of Contracts for Water System Improvements.
 - Councilwoman Mills moved to authorize the City Manager to award and sign contracts to bidders recommended by Hubbell, Roth and Clark contingent on USDA financing. Seconded by Councilman Kwiatkowski.
 - Sabolsky discussed the different projects. Division A is for the elevated storage tanks. That bid was awarded to Maguire Iron, Inc in the amount of \$1,846,300.00. Division B is the Mill Street Water Main. That bid was awarded to E.F. Wilkinson and Sons, Inc in the amount of \$757,620.68. Division C is the well improvements. That bid was awarded to Power Construction Group LLC in the amount of \$1,839,768.00. Division D is for the Elevated Storage Tank Rehabilitation. That bid was awarded to Viking Painting LLC in the amount of \$547,500.00. Sabolsky told Council that when these two tanks get done, it is in the bids to put the City of Cheboygan logo on the side of those tanks. The total recommended construction contracts is \$4,933,188.86. There is a contingency of \$296,811.32. The total project is \$5,290,000.00.
 - Councilman Kwiatkowski asked regarding Division C; he has never heard of Power Construction but they are a local business. Councilman Kwiatkowski asked Sabolsky if he knows the name of the person/people of the business.
 - Sabolsky said the gentlemen's name is Rocky Beydoun. He does Federal contracts and has done work with the Coast Guard. Hubbell, Roth and Clark are checking for references on previous projects.
 - Councilwoman Dodd asked regarding the one bid received on the Division C project.
 - Sabolsky responded that when they got the bid the first time, it was very high. Discussion was had with the USDA regarding the bid. The USDA told us that we did not have to put the Division C project back out to bid, but instead to negotiate. Sabolsky said when Jason Karmol had Rural Water and another agency propose fees to us that we charge our residents and non-residents, they figured in our infrastructure projects that we had going on at the time, which would be the Wastewater Treatment Plant as well as these water improvements. Those are already in the fee schedule and we are already collecting money to start paying on this.
 - A roll call vote was taken. Motion carried unanimously.

City Managers Report:

- Sabolsky said that last week he met with Rehmann Group here in town and their team that specializes in municipal government backroom operations. Sabolsky said that we need some

assistance in training Treasurer Byrd as former Treasurer, Bridget Brown, is done training Byrd after this week. We also need some financial advice on converting to a more detailed budgeting program. Sabolsky said we also want to look at more in-depth internal controls. Sabolsky has entered into a contract with Rehmann Group, he will report back to Council regarding that.

- Sabolsky is working with the softball and baseball groups in town. They would like to build a concession stand with some bathrooms and a warming area. That would be on the east side of the fast pitch diamond. Sabolsky will be writing a grant for that, and they will be partnering with the City on that grant. The estimated cost of this building is \$150,000.00. They will also be helping to raise funds for the building. Sabolsky will also check to see if the DNR would like to partner with us too.
- Regarding the tissue plant, last week Sabolsky got a call from the Sherriff's Department about a whole brick section of the building separating on the top. Sabolsky contacted the Building Department at the County. Our DPW went out and closed the sidewalk. This morning, it had collapsed. There have been documents delivered to the tissue plant from law enforcement. Sabolsky has been contacted by creditors and lawyers. There are many things that raises concern for Sabolsky. They do owe the City quite a bit of money in property tax, water testing, etc.
- Councilwoman Mills asked if we are in second position regarding the loan.
- Sabolsky said we are in second lien position on the buildings.
- Councilman Kwiatkowski asked if there is a possibly that people will walk away from that building.
- Sabolsky responded that the owner of that building is a company/individual that buys buildings all around the US and they buy those buildings specifically for certain industries and they bought this building for the paper industry. Sabolsky thinks that the company is solid but he truly doesn't know.
- Councilwoman Raab commented that you have the people that bought the building and then you have the people that bought the business.
- A brief discussion was had regarding the tissue plant.
- Regarding the Opera House, this Thursday Sabolsky will be having a meeting with the architect and engineer that came and evaluated the Opera House to discuss how they are going to conduct the public meeting on the Opera House coming up sometime soon.
- The Supreme Court of Michigan will be holding a session here at the Opera House April 26th. Sabolsky will be attending some of that event.
- As a reminder, the Brownfield/TIF workshop is April 11th at 5:30pm before the Council meeting.
- Tomorrow at 11:00am is the Finance Committee meeting.
- Sabolsky said that an RFQ will be put out for engineering services. This RFQ will be for general engineering for many different things such as road construction, parking lot fixes, etc.
- DPW will be striping parking lots, parking spaces along the roads and crosswalks. Remember that Main Street cannot be striped because that is a State highway.
- Councilwoman Raab asked if the Supreme Court's session was open to the public.
- Chief Rifenberg said that it is open to the public and it starts at 9:00am and will go until about 1:00pm.

City Clerk's Comments:

- Singles stated that she reached out to the State again and they have confirmed that an August special election can be held. Petitions are due to her by April 25th at 4:00pm. A Statement of Organization will also have to be filed with the County Clerk. She is also looking into consolidating the precincts for the special election.

Public Comment:

- No public comments.

Committee Updates:

- Mayor Pro Tem Bedwin stated that Finance Committee is meeting tomorrow.
- Councilwoman Raab said that the Historic District Commission is meeting on Monday but since they have to reappoint the Commission, the commissioners need to reapply. There will be a meeting, but just discussion. The applications will come in front of Council for reappointment once they are in.
- Sabolsky said a notice will go out for the HDC's vacant seat. Sabolsky said that Mayor Mallory, Mayor Pro Tem Bedwin and Councilwoman Mills expressed that applications should be brought to Council if it's a reappointment or appointment.
- Councilwoman Dodd said her first DDA meeting will be next week. There is an Easter Egg Hunt on Saturday the 8th. Councilwoman Dodd did meet with Executive Director Schneider.
- Councilman Kwiatkowski asked if Paul Olson was still our insurance representative.
- Sabolsky responded that he was.
- Councilman Kwiatkowski asked if Olson had been contacted regarding the new vehicles that were just purchased.
- Sabolsky and Clear were just talking about that the other day. They will be scheduling a meeting with Olson to discuss insurance matters.
- Councilman Kwiatkowski and Sabolsky discussed insurance matters.
- Councilwoman Mills said Housing Commission will be meeting before the next Council meeting unless they change the date.
- Councilwoman Darling reported that the Parks and Recreation Commission did meet and they discussed the Majestic Riverview Pocket Park. A fence does need to go along the river because it is a very steep drop. The Commission also discussed the dog park. They need to apply for a fellowship to see if they will help us with the funding for that. They discussed upkeep of the dog park. Someone suggested a 'Friends of the Park'; where people/volunteers help maintain the park.
- Mayor Mallory asked if the pocket park was within the DDA jurisdiction.
- Sabolsky responded that it is not.
- Councilwoman Darling also reported that she went to the Board of Commissioners meeting this morning. The NLEA gave their end of the month report. Sabolsky, Councilwoman Darling and Mayor Pro Tem Bedwin went to support the NLEA since they have helped the City on various projects. Councilwoman Darling reported on a few things she learned at the Commissioners meeting.

Adjournment:

- Councilwoman Raab moved to adjourn the meeting at 7:58pm. Seconded by Councilwoman Mills. Motion carried unanimously.

Mayor Brett Mallory

Clerk Alyssa Singles

Mayor Pro Tem Adam Bedwin

Councilwoman Diane Mills

Councilman Ken Kwiatkowski

Councilwoman Mary Darling

Councilwoman Diane E. Raab

Councilwoman Hayley Dodd