

**REGULAR CITY COUNCIL MEETING**

**September 26, 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: Raab, Mallory, Mills, Dodd, Kwiatkowski, Darling and Bedwin.

Absent:

**Public Comments on Agenda Items Only:**

- Mary Hebert commented on the agenda item 9-A, her appointment to the Historic District Commission. Hebert would like to withdraw her name. Hebert believes she can serve better on the Study Committee. Hebert would like to reapply for the Study Committee. Hebert also commented on how all the City departments worked together so well during the crisis of the Tissue Depot fire.

**Approval of Agenda and Receive and File all Communications:**

- Councilman Kwiatkowski moved to approve the agenda with striking agenda item 9-A and to receive and file all communications. Seconded by Councilwoman Dodd. Motion carried unanimously.

**Approval of Prior Meeting Minutes:**

- Mayor Mallory referenced a policy the City passed in 2018 regarding meeting minutes.
- Mayor Pro Tem Bedwin moved to approve the Regular City Council meeting minutes of August 22, 2023, as presented at the last meeting. Seconded by Councilwoman Raab. Councilwoman Darling abstained from voting since she was absent that meeting. Motion carried.
- Councilwoman Mills moved to approve the Regular City Council meeting minutes of September 12, 2023, as presented. Seconded by Councilwoman Darling. Motion carried.

**Communications and Petitions:**

- Don Dailey, Fire Chief – Tissue Depot Fire.
  - Fire Chief Dailey gave Council a synopsis of what happened Wednesday, September 13<sup>th</sup> at Tissue Depot. Chief Dailey said that there have been six rekindles. Chief Dailey said we have not had a rekindle since last Wednesday. It is not the structure rekindling, it's the poly that was in the building. 22 out of our 24 firefighters were present at the site. Eight additional Fire Departments were there. Chief Dailey said the support from the community and businesses bringing food, beverages and overall helping out was unbelievable. Chief Dailey commented that the fire investigators will be back again Thursday to hopefully find the cause of the fire.
  - Mayor Pro Tem Bedwin thanked Chief Dailey and his department for all their hard work.

- Chief Dailey said that he is incredibly proud of his department for working together and working fast to contain the fire. Chief Dailey said that if the wind was going in a different direction, some of the houses on Huron Street may have been affected by the fire.
- Mayor Mallory shared his appreciation for the fire department.
- Councilwoman Darling asked if they have found out what caused the fire.
- Chief Dailey said they have not.
- City Manager Sabolsky said that we need to thank these firefighters and all the Fire Departments that helped out. Sabolsky described how the City worked as a team regarding this fire. Sabolsky talked about how businesses and people in town stepped up to help and thanked all those businesses and people. Chief Dailey and Sabolsky went to a firefighter's meeting a few days after the fire. At that meeting, discussion was had regarding some equipment we need and different types of training our firefighters need.
- Chief Dailey said that he has received some respirators.
- Sabolsky commented regarding the new turnout gear. Many firefighters came to him and told him that if they didn't have these new sets of turnout gear, they wouldn't be able to do half the things they did. The firefighters would have been much more fatigued wearing the old turnout gear. Sabolsky also thanked the County and all the departments that helped. Sabolsky also thanked Hubbell, Roth and Clark (HRC) for their help during the fire. Sabolsky said that we owe a lot of gratitude to Chief Dailey.
- Chief Dailey provided shirts to the Council on behalf of the Fire Department.
- Councilman Kwiatkowski asked if they knew when the conveyor belt across the highway would come down.
- Chief Dailey said that at this time, there are still issues with ownership and insurance companies regarding the conveyor belt. Chief Dailey said that we are doing the best we can with the information we have.
- Sabolsky said the conveyor belt coming down will not happen anytime soon, but they are pushing to get this moving.
- Councilwoman Mills explained the process and difficulty of taking the conveyor belt down.
- Sabolsky commented that there are three firms that probably have the capability to take that conveyor belt down. Sabolsky discussed the conveyor belt demolition and what has to be done to move forward. The Building Department, Chief Dailey, and our engineer have written letters ordering the conveyor belt to be torn down.
- Councilwoman Darling asked if the plant is closed at this time.
- Sabolsky said that it is. There is no power to the plant at the moment. There is also no gas at the plant and the turbines have been shut down. The City has requested that a fire inspection be done on that building before it opens up again. We want the fire suppression system to be tested. That is suppose to be tested and checked out every year. A letter will be sent to the plant regarding that and the State Fire Marshall agrees with us on the stance that it needs to be inspected. Sabolsky discussed Tissue Depot. Tissue Depot did not have proper payments on their unemployment insurance, so Sabolsky worked with Senator Damoose and Representative Cavitt to get 20 weeks of unemployment insurance for the workers of the plant. Sabolsky said that when there is a fire of that magnitude, usually the insurance company comes in and they run the show,

but the insurance company has not stepped up. Sabolsky said they have not seen an adjuster yet. Sabolsky discussed the time City employees are putting towards this fire. Some employees getting home in time for the first time in a while to have dinner with their families, working weekends and having multiple meetings every week. Sabolsky asked people to bear with us and we are trying to keep everyone as informed as possible.

- Mary Hebert asked if there are any disaster relief funds available.
- Sabolsky said yes and no. The problem is that this is privately owned. There would be a lot more money if it was City owned but it is not and the right-of-way is owned by the State.
- Police Chief Scott Rifenberg commented on the Tissue Depot fire, working with State and Federal agencies and opening up Main Street.
- Councilwoman Darling asked for those who helped with the fire to please stand to be acknowledged.
- Keith Ginop, President of the Cheboygan County Firefighters Association, complimented Chief Dailey and his firefighters. The Cheboygan County Firefighters Association has a fundraiser for training, and if the Cheboygan Fire Department needs help with funds for training, they could try to help with that. Ginop talked about the importance of all departments working together and training together. Ginop said that the Association has a mutual aid agreement with every department in Cheboygan County and they have been trying to get it updated. Ginop discussed the importance of the agreement and wanting to work with the City to get it up to date.
- Mike Birchmeier, Rehmann Group – Financial Update.
  - Sabolsky talked to Council about the financials that they received; there are no budget adjustments and to remember that this is the budget they passed in late June and by the end of the year, budget adjustments will be made.
  - Mike Birchmeier from Rehmann Group gave an update on what Rehmann has been doing since the budget approval meeting in June. Birchmeier said that the big focus after getting the budget approved was to assist the City with closing the books for the fiscal year. Birchmeier said that they have spent most of August and some of September getting the City ready for the independent financial statement audit. Birchmeier talked about the City's financials and accounting and making sure the City keeps compliant. Birchmeier explained the financial documents that were in the packet and discussed the City's financials with Council.
  - Sabolsky told Council that we transfer money into an equipment fund. We usually do that at the end of the year. Instead, we could do that at the beginning of the year so we can see what money we have in that fund. Some of the money is not accredited to this fund until the end of the year, so it looks like there is a negative balance in that fund. Sabolsky said that information may help us out when looking at these finances.
  - Councilwoman Mills said that she prefers to see the what funds are there in the beginning of the year, but she would be okay with money being put in quarterly.
  - Sabolsky told Birchmeier that he also gave Council the balance sheet for all the funds. Sabolsky wanted to point out in the general fund three years ago, when he started, our beginning fund balance was one million dollars. Sabolsky said that if you look, we now

have 1.6 million dollars. Sabolsky said that we as a City have been good with our money. We have been spending it, but we have also been collecting it through fees, programs and other things.

- Councilman Kwiatkowski said that on the balance sheet, we have a due for the ice pavilion for \$750,000. Why is that?
- Birchmeier commented on what Councilman Kwiatkowski is seeing. He believes that it is a misprint in the general fund account structure. It is the sewer fund that owes the general fund \$750,000.
- Councilman Kwiatkowski and Birchmeier discussed the \$750,000 that the sewer fund owes the general fund.

#### **Bills and Disbursements:**

- Prepaid Bills and Disbursements for the Month of September 2023.
  - Councilwoman Mills moved to approve the prepaids bills and disbursements for the month of September 2023 in the amount of \$770,841.90. Seconded by Mayor Pro Tem Bedwin.
  - Councilman Kwiatkowski said that these are prepaid bills, and he noticed this in August, Council is receiving a report on prepaid bills for half the month. What about the second half of the month?
  - Sabolsky said he hasn't looked at the prepaid schedules. Sabolsky said he will talk to Deputy Treasurer Swanberg in the morning and see if it can get figured out.
  - Councilman Kwiatkowski explained how the prepaids and unpaids were done when he was working as Treasurer.
  - A roll call vote was taken. Motion carried unanimously.
- Unpaid Bills and Disbursements for the Month of September 2023.
  - Councilwoman Mills moved to approve the unpaid bills and disbursements for the month of September 2023 in the amount of \$139,239.98. Seconded by Councilman Kwiatkowski.
  - Councilwoman Dodd asked if it was normal that we have this report run from the middle of September to the 30<sup>th</sup> even though it is not the 30<sup>th</sup> yet.
  - Sabolsky said yes, we usually do and then we add whatever is carried over into the next month.
  - A roll call vote was taken. Motion carried unanimously.

#### **General Business:**

- Consideration of Appointment.
  - Mayor Mallory mentioned that there was a discussion with the Historic District Commission after the last Council meeting regarding this. Mayor Mallory commented that the commission is more or less defunct at this time while we figure out what we are doing with the ordinance and how we want to go forward with everything. Mayor Mallory discussed the appointment.
  - Councilman Kwiatkowski suggesting tabling this appointment.
  - Mayor Mallory said that he told the Commission he would have this on the agenda so in the case they have a meeting, it would be easier for them to have a quorum.

- Councilwoman Raab said that the Commission does have a quorum. Councilwoman Raab said that this isn't a defunct appointment and that it is a legitimate appointment.
- Mayor Mallory said that what he is trying to say is that the Commission probably won't have a meeting before we try to figure all this out.
- Councilwoman Raab commented that last time we talked and discussed, Sabolsky was going to meet with Winifred Riddle and Mali Thomas before they contacted SHPO. Councilwoman Raab commented that the Tissue Depot fire certainly pushed some progress back.
- Mayor Pro Tem Bedwin moved to appoint Tamara Willett to the Historic District Commission, term to expire March 31, 2026. Seconded by Councilwoman Dodd.
- Mayor Pro Tem Bedwin said that he wants to follow all of the ordinances regarding the Commission and reiterated his concerns. Mayor Pro Tem Bedwin asked who is currently on the Commission.
- Mayor Mallory responded that Winifred Riddle, Mali Thomas, Mary Brown and Laurie Musclow are currently appointed to the Commission.
- Mayor Pro Tem Bedwin mentioned the State law says that we need two people to be from a historic organization and we need to make an attempt to find an architect.
- Sabolsky said that the attempt to find the architect has not been done. Sabolsky said that he put the architect search on hold while we figure out what direction this is going in.
- Mayor Pro Tem Bedwin said he made a motion to discuss, but he doesn't think anyone else should be appointed to the Commission at this time.
- Councilwoman Mills expressed her agreement with Mayor Pro Tem Bedwin. Councilwoman Mills talked about the Study Committee and from the ordinance, it looks like the Study Committee is the group that sets the precedent for the Commission. Once everything is handled and understood with the Study Committee and Commission, people can be appointed.
- Mayor Pro Tem Bedwin said that Willett can still be appointed in the future if she doesn't get appointed tonight.
- A roll call vote was taken. Nays from Councilwoman Mills, Mayor Mallory, Councilwoman Dodd, Mayor Pro Tem Bedwin, and Councilman Kwiatkowski. Ayes from Councilwoman Raab. Councilwoman Darling abstained from voting because she finds this topic confusing and doesn't want to vote yes or no until she understands fully. Motion failed.
- Consideration of Site Plan.
  - Councilman Kwiatkowski asked what was going in there now.
  - Councilwoman Mills responded a church.
  - Sabolsky said that a special use permit was sought and approved. One of the conditions of the special use was that they submit a site plan. Sabolsky did meet with Jim Granger to get and review their site plan. Granger did not vote on this site plan approval at the recent Planning Commission meeting due to conflict of interest. The Planning Commission did recommend to approve the site plan as presented with no conditions.

- Councilwoman Mills moved to approve the submitted site plan for 525 E. State Street, Cheboygan MI. Seconded by Councilman Kwiatkowski.
- Councilwoman Raab brought up the parking concerns for this site plan.
- Sabolsky said that based on the number of seats they have, there will be ample parking on their lot. There is extra parking, if needed, on the street.
- Dave Tucker, the owner of the building, said it is a small congregation.
- Councilwoman Raab asked how does the parking and lighting effect the neighbors.
- Sabolsky said that when granger designed everything, he angled everything in so that it lights the parking lot.
- Council, Tucker, and Sabolsky discussed the parcel, the site plan, the street scape, and parking.
- A roll call vote was taken. Motion carried unanimously.
- Paving of Division Street.
  - Councilwoman Darling moved to authorize the City Manager to enter into a contract with Reith Riley Construction to repair and pave Division Street for a cost not to exceed \$110,000.00. Seconded by Mayor Pro Tem Bedwin.
  - Sabolsky said that PA 51 funds, our local street fund, will pay for it. Sabolsky has been working with DPW and they are identifying streets that we know the water and sewer are okay, so we can get on the schedule to pave roads. Then come spring, the project can start.
  - Councilman Kwiatkowski said that there is a road millage on the summer tax roll, could that pay for this?
  - Sabolsky said that it could, but his initial thought was that we do have money in that PA 51 fund. Sabolsky discussed spending and saving the PA 51 fund.
  - Mayor Mallory said that when they redid US-23 last year, since they rerouted traffic onto E. Lincoln and Lafayette, they repaved those roads. Mayor Mallory asked since they are closing US-27, why don't we get funding for where those cars are being rerouted?
  - Sabolsky said that MDOT is currently going through and cutting projects and rescheduling. MDOT has told him that they are hurting for funds.
  - Councilwoman Raab asked regarding requests for proposals; don't we usually send out an RFP?
  - Sabolsky said that in this particular case, it is a small project. Sabolsky said we contacted three major contractors. Sabolsky referred to the letter in the packet. For larger projects, we should and will put out a request for bids. Sabolsky said that we are looking at purchasing a used lining machine. Ours is a little wonky. If we get this used one, come spring, we can line roads that need to be lined.
  - Councilwoman Darling asked what section of Division will be done.
  - Sabolsky said this would go from Main Street to Dresser Street.
  - Council and Sabolsky discussed the roads in the City.
  - A roll call vote was taken. Motion carried unanimously.
- Consideration to go into Closed Session-POLC Contract Discussion (if necessary).
  - Councilwoman Darling moved to go into closed session for POLC Contract Discussion. Seconded by Councilwoman Raab.
  - Sabolsky said before Council voted, he asked if Council had any major questions of the confidential nature regarding the contract.

- Councilman Kwiatkowski said he had one question and he is very familiar with this contract. Councilman Kwiatkowski asked if there were any significant changes.
- Sabolsky said that the Sergeant stays in the union, a Lieutenant position will be made and will be management, and Veteran's Day was added to their list of holidays. There was a clause in there that if an officer came in for training, it was automatic time in half pay and that was stricken. Other than that, it is pretty standard from what it was. Sabolsky said he will be reformatting the document and adding the Sergeant's salary and their increases. Sabolsky said that he thinks that this is a good deal for all of us and it rewards the officers that have been working hard for the City.
- Mayor Pro Tem Bedwin asked regarding the contract. The contract Council currently has, has the Sergeant out of the recognition clause.
- Sabolsky said that is the change he has to make and he has to add in the Sergeant's salary with the adjustments.
- Mayor Pro Tem Bedwin asked if the Sergeant will be handling managerial roles going forward.
- Sabolsky said that the Sergeant will be on the evening shift and provide some general, basic supervision. The Chief and Lieutenant will provide most of the administrative aspects. The Sergeant was kind of doing it now, which then made it a non-union position. We made it so that we have a Lieutenant that handles the managerial things, and the Sergeant will do some things but will remain in compliance with the union.
- Mayor Pro Tem Bedwin said that he has some more questions.
- A roll call vote was taken. Ayes from Councilwoman Mills, Councilwoman Raab, Mayor Pro Tem Bedwin, Councilwoman Darling, Councilwoman Dodd, and Mayor Mallory. Nayses from Councilman Kwiatkowski. Motion carried.
- Council entered into closed session at 8:28pm. Sabolsky, Clerk Singles, and Chief Rifenberg remained in the room during closed session.
- Councilman Kwiatkowski moved to reconvene from closed session at 8:52pm. Seconded by Councilwoman Mills. Motion carried.
- Consideration of POLC Successor Union Contract.
  - Mayor Pro Tem Bedwin moved to authorize the City Manager to enter into a three-year agreement with Police Officer Labor Council – Cheboygan Police Officers Association and make minor modifications if necessary. Seconded by Councilwoman Darling. A roll call vote was taken. Motion carried unanimously.

**City Clerk's Comments:**

- Singles referenced the last Council meeting minutes of August 22, 2023 regarding Councilman Kwiatkowski's question regarding the prepaids and unpaids.
- Councilman Kwiatkowski said that there is a gap of 40 checks that are not accounted for. Councilman Kwiatkowski compared the prepaids and unpaids from this month and last month.

**Public Comments:**

- Phil Jankoviak said that he voluntarily started painting fire hydrants around the City. People have stopped donating money to him to buy paint and he is almost out and he is wondering if the City could give him money so he can continue painting the fire hydrants.

- Sabolsky said to give him the type of paint he uses and where he purchases it. If Jankoviak emails it to Sabolsky, Sabolsky will forward that to staff to see if we can buy some paint.
- Jankoviak said he started this in April and discussed how people have donated money to him to paint hydrants. Jankoviak has completed 125 hydrants on the West side.
- Mayor Pro Tem Bedwin advised Jankoviak that before he or anyone else in town takes on a project on behalf of the City such as that, to please check with the City beforehand to make sure it's okay.
- Jankoviak said that he did talk to a City worker and they told him to continue.
- Chief Dailey said that there are over 600 fire hydrants in the City.
- Council thanked Jankoviak for painting the fire hydrants and his time.
- Mandy Dailey commented on how well of a job Sabolsky did during the fire and that he needs to be recognized for that.
- Jody Ginop commented regarding the fire and the Cheboygan County Firefighters Association. Ginop said that watching all the firefighters work together on the Tissue Depot fire was remarkable. Ginop commented that this community has a lot to be proud of because of their firefighters.

**Council Response to Public Comments:**

- Councilwoman Darling asked if the firefighter trainings are available for the general public if they wanted to be involved in them.
- Chief Dailey asked if Councilwoman Darling meant participation or observance.
- Councilwoman Darling said maybe both.
- Chief Dailey and Chief Rifenberg said observing would be fine, but it would be a no in regards to general public participation. Chief Rifenberg explained why.
- K. Ginop talked about some classes/training that the general public could take without having to gear up. K. Ginop discussed some real-life scenario trainings.
- Councilwoman Raab complimented the Ginop's for their time and effort towards the community.

**Committee Updates:**

- Mayor Pro Tem Bedwin said that the Finance Committee has not met but because of that, the Committee asked Sabolsky to share the finances with the entire Council.
- Councilwoman Mills said that the Housing Commission met September 19<sup>th</sup>. In that meeting, they had the first look at the repositioning plan for when they start the rehab. Commissioners more or less rejected it. The Housing Commission has an RFP out to find an attorney. The Commission has recommended appointments, and these people have been appointed, for two new Commissioners. Those Commissioners are Danielle Brach and Colin Custard. Luke Walker has been promoted to full time Compliance Manager; he is the sole individual in the office. The next meeting is October 17<sup>th</sup> at 3:00pm.
- Councilwoman Darling reported that the Parks and Recreation Commission met on September 20<sup>th</sup>. The Commission talked about the pocket park. Councilwoman Darling said that there is a problem with the park going down the hill and they need a fence there with some rocks. They applied for a grant for the park and did not get it but they are talking with Ryba Marina and they



may be able to provide the fence and the rocks. Discussion regarding moving the Joanna Neil rock to the Children's Trail was had, but moving that rock would require closing down part of the highway. They are going to see if there is someone from Schwartz that may be able to move it. The Commission is moving forward with the dog park. Councilwoman Darling told Sabolsky that the Commission wants to make sure that him and County Administrator Jeff Lawson are on board to move forward with that. Councilwoman Darling asked if there is anything with the MOU in place or is that going to be something that has to be done?

- Sabolsky said that Lawson and him have not really talked about that yet. Sabolsky said that they are waiting to see if they can raise whatever amount of money they need to raise.
- Councilwoman Darling said that there is a fund-raising meeting on the 28<sup>th</sup> of September at the library for the dog park. Councilwoman Darling said that the boardwalk behind the Chamber of Commerce has holes in it. Councilwoman Darling was asked to bring attention to it.
- Sabolsky said that we are looking at possible solutions. It simply cannot be filled due to the seawall also falling apart. If you put anything in the hole, it goes right through. Sabolsky commented on fixing the boardwalk and the seawall.
- Councilwoman Darling said that Dale Rieger is stepping down as chairperson and Rieger wants someone else on the Commission to step up into that role. The next meeting for the Parks and Recreation Commission is November 15<sup>th</sup>. Councilwoman Darling also reported on the County Commissioners meeting. They discussed how Mackinaw City is trying to get a deep port there for cruise ships but the DNR is giving them a hard time due to the State dock being there. Councilwoman Darling asked Sabolsky about the port.
- Sabolsky responded that he is unsure about that. That was done well before he got here. Sabolsky shared the information he knew.
- Council and Sabolsky talked about dredging and the Coast Guard Cutter.
- Councilwoman Darling said that the Hospice House is closing. Councilwoman Darling mentioned sending a letter of support for the Hospice House.
- Sabolsky said that he discussed this with Linda Rogers and she sent him the contact to send that letter to. Sabolsky is in the process of drafting that letter.
- Councilwoman Darling said that if you have 40 acres or more, you can open it up for open hunting.
- Sabolsky said you can, however, in the City you cannot discharge a firearm, bow, etc. Sabolsky said that him and Chief Rifenberg are looking into special hunting to thin out some of the deer herds around the City.
- Council and Sabolsky discussed the deer population in town.
- Councilwoman Darling talked about a water program that starts October 1<sup>st</sup>. Councilwoman Darling asked it to be posted on the website.
- Sabolsky and Council discussed water assistant programs.

**Messages and Communications from Mayor and Council Members:**

- Councilwoman Mills asked Clerk Singles regarding the Opera House Committee.
- Singles said she has gotten a few applications without even putting the advertisement for it yet on the website or Facebook page.
- Sabolsky said him and Mayor Mallory will discuss the Committee regarding members.

- Sabolsky said that he will not be here during the first meeting in October, neither will Interim Treasurer/Executive Assistant Clear or Mayor Pro Tem Bedwin. Wondering if the meeting could be rescheduled or cancelled.
- Mayor Mallory cancelled the October 10<sup>th</sup> meeting but if something pressing came up, they could reschedule that meeting.

**Adjournment:**

- Mayor Mallory adjourned the meeting at 9:24pm.

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Mayor Brett Mallory

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Clerk Alyssa Singles

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Mayor Pro Tem Adam Bedwin

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Councilwoman Diane Mills

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Councilman Kenneth Kwiatkowski

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Councilwoman Mary Darling

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Councilwoman Diane E. Raab

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Councilwoman Hayley Dodd