

REGULAR CITY COUNCIL MEETING
November 15, 2016

Oath of Office: The Oath of Office was given by Clerk/Treasurer Kwiatkowski to Mark C. Bronson, Mayor; Nicholas C. Couture, Councilman; Nathan H. King, Councilman; and Vaughn Temple, Councilman.

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

Roll Call:

Present: Temple, King, Riddle, Couture, Kwiatkowski, Lavender and Bronson

Councilman Temple led the Pledge of Allegiance to the Flag.

Selection of Mayor Pro Tem:

Councilman King nominated Councilman Couture as Mayor Pro Tem; supported by Councilman Temple. A roll vote was taken; motion carried unanimously.

Approval of Agenda, and Receive and File all Communications:

Councilwoman Kwiatkowski moved to approve the Agenda and receive and file all communications; supported by Councilman King. Motion carried unanimously.

Approval of Prior Meeting Minutes:

Councilman Lavender moved to approve the Regular City Council Meeting Minutes of October 25, 2016 as presented; supported by Mayor Pro Tem Couture. Motion carried unanimously.

Bills and Disbursements:

▪ **Prepaid Bills and Disbursements for the Month of October 2016.**

Mayor Bronson asked if insurance claims are being paid now and if there are still claims outstanding. Clerk/Treasurer Kwiatkowski responded there are two outstanding bills now, but initially we received a check for \$400,000.00 from our insurance company and last week we received another check for \$426,000.00.

Ms. Trudy Lofgren inquired on Ice Arena training. Clerk/Treasurer Kwiatkowski replied that was a clinic that was put on and part of the agreement with the individual putting the clinic on was reimbursement for mileage. Councilman King asked if item no. 47, pool table re-covers are at the Recreation Center. Clerk/Treasurer Kwiatkowski replied yes.

Councilman King moved to approve the prepaid bills and disbursements for the month of October 2016 in the amount of \$881,792.38; supported by Councilman Lavender. A roll call vote was taken; motion carried unanimously.

▪ **Unpaid Bills and Disbursements for the Month of October 2016.**

Councilman Temple asked if we will be getting other shipments of road salt. Clerk/Treasurer Kwiatkowski explained the City orders for the early part of the year and then there is a reserve order

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that we may or may not take depending on the winter. He then mentioned road salt was roughly 400 ton and it's put out for bid by the State and the bids came in quite a bit less than what we paid the last two years. If the amount that we paid the last two years was applied to this billing, we would have been paying an additional \$6,000.00 to \$7,000.00. It has come down more than \$10.00 per ton.

Councilman Lavender moved to approve the unpaid bills and disbursements for the month of October 2016 in the amount of \$54,731.52; supported by Mayor Pro Tem Couture. A roll call vote was taken; motion carried unanimously.

Department, Board and Commission Reports:

- **Planning Commission, October 25, 2016** – Mayor Bronson asked City Manager Eustice if he was at that meeting and if the Planning Commission is up to full membership. City Manager Eustice commented he was at the meeting and the Commission is full, noting Commissioner Kahn-King's membership is in limbo, even though she is no longer a City resident she does live in an adjacent township so she is still eligible. He thinks she is hoping that her work schedule will change so she can continue. Councilwoman Riddle inquired as to how many of the members live outside the City. City Manager Eustice replied two, Gary Lamberg and Christine King, which is the maximum. Mayor Pro Tem Couture inquired as to the Carnegie Library wanting to be added to the DDA District, asking the boundaries of the DDA District. City Manager Eustice replied part of the block the Carnegie is in is in the District, which is the City parking lot. Mayor Bronson commented the east side of Huron Street is in the DDA District. Councilwoman Riddle asked how far down Huron Street the District goes. City Manager Eustice replied the District runs to Nelson Street, and on the west side of Huron Street the District runs to the City beach, including Huron Street from Division Street to City beach on the east side. Mayor Pro Tem Couture asked what the process is to change the DDA District because if we are going to have a DDA District it should be correct. City Manager Eustice replied the process is somewhat detailed, including public hearings, noting you can add properties to the DDA District but they have to be adjacent to the existing DDA District. Councilman Temple asked what determined the DDA District in the first place. City Manager Eustice answered the original DDA Board in 1985. Councilwoman Riddle commented the DDA District is also across the River, noting there was some discussion that the Recreation Center and Ice Arena are not part of the District. City Manager Eustice replied that is correct, but some of the Major City Park is in the DDA District, but it is not that deep. Councilwoman Kwiatkowski asked what the benefits are to adding properties to the DDA. City Manager Eustice stated it could be a benefit to the property owner as far as grant funding and so forth, is really the only benefit; however, in the case of the Carnegie Library it is eligible, because it is a historic site. He went on to explain as far as tax purposes as you add parcels to the DDA, taxing authorities/entities can opt out and not have their property taxes captured by those new parcels in the DDA, so it's no revenue benefit to the DDA if they do that. He does not know if this is the best option for the Library at this point, although they are still working on it. Mayor Bronson said he believed it was tabled at the last meeting because the City Manager was not in attendance, noting some of the discussion was that it should be all the way up to Court Street and Council had talked about adjusting the north quarter stopping at Lake Street. He added it would be a long process. Councilman Temple stated if there are more properties in the DDA District then there is less money that does into the General Fund. City Manager Eustice replied yes, basically. Mayor Bronson clarified with new properties any growth in tax revenue would then come into the City. It would be very gradual. Whatever a property is assessed at now the City would still get that, but in the future if the property value goes up then the DDA starts capturing. It is not that we lose money; it's that the City does not grow. Councilwoman Riddle stated there was also good discussion that the Port area should not be designated and part of the DDA; that it should be a port area separately. City Manager Eustice stated that makes some sense with the way it is going to be developed now and it's not part of

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a traditional downtown, and that's what DDA's are set up to be – traditional and historic downtown districts. Councilman Lavender asked if the DDA initiates the boundary changes. City Manager Eustice replied initially the DDA would have to make recommendations. Mayor Bronson clarified Council would hold the public hearing. Councilwoman Riddle asked if Council would make the determination. City Manager Eustice answered yes, the final decision would be with the Council. Mayor Pro Tem Couture asked if this will be discussed at the next DDA meeting and if the City Manager will update the Council. City Manager Eustice replied yes.

City Manager Eustice stated in the Fiscal Year 2015/2016 we did not have a site plan review, so we had no new improvements in commercial and industrial properties. He informed Council that Mr. Don Landon of CarQuest has approached him regarding expanding, recently purchasing the old house on Huron Street behind Alice's Restaurant. He wants to remove it and expand his business, which will have to go through the Planning Commission, which he is working on now. There has been a lot of interest within the last several months about expansion with businesses. Also, there is another business owner in the process of purchasing the Walkway Café and we will see some expansion there. There are some positive signs as far as business development.

General Business:

▪ **Consideration of Traffic Control Order No. 14/16** – Chief Jones stated this is a right turn only sign that was placed on the northbound intersection of Lincoln and Loomis from 3:00 p.m. to 3:30 p.m. It is a right turn only coming out of the High School parking lot. They have been working with the school system as there was a problem with 6 to 12 students wanting to turn left stopping the whole line of traffic, in addition to some wanting to go straight across. The sign was put up temporarily until this enactment, which he has monitored for the last two weeks after school. Once they got students who weren't notified, i.e. co-op students, it seems to be working real well and it takes probably three-quarters of the students out of the rear parking lot before the buses actually get rolling. It makes for a little safer situation.

Councilwoman Riddle commented on a left turn issue at the Burger King restaurant, noting when the restaurant was allowed to go on that corner, there was not to be left hand turns from Main Street into the restaurant coming from the south. There are people that do that on kind of a regular basis. Chief Jones stated the State marked that and at that time they asked them to mark it and put a sign there for no left turn, but there are only the arrows on the pavement. Councilwoman Riddle stated when it went before the Planning Commission this was one of the big problems regarding that space and people trying to make left hand turns into there and that's why they have the circle that goes around the building and the exit out the back. For a while people were paying attention, but now they are not. Chief Jones stated they will take a look at that and check with the State to put up a sign.

Councilman King asked how the four-way is going after school at Western and Lincoln. Chief Jones stated by 3:25 p.m. there is no line up.

Mayor Pro Tem Couture moved to approve Traffic Control Order No. 14/16; supported by Councilman Temple. Motion carried unanimously.

▪ **Consideration to Purchase Thermal Imaging Camera and Camera Masks for Fire Department** - Chief Jones stated he advised Council in his memo the thermal imaging camera that was purchased in the 1990's went bad this year and was beyond repair due to age. The Fire Chief and a couple firemen did some research and were able to come up with a thermal imaging camera that has been placed as a demo for sale; the average retail price is a little over \$12,000.00. The demonstrator

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model has been located at the Sutphen Corporation, which they are holding for us until tomorrow, at a cost of \$6,200.00. We are requesting to purchase two of the Scott Thermal Imaging Face Mask Cameras that actually go on the firefighter's face mask, which were just certified this past June. It is one of the newest things on the market. Eventually they think the Firefighter' Commission is going to make these mandatory. Chief Jones then stated normally the face mask camera cost from \$1,600.00 to \$1,900.00 and we have been quoted a price of \$1,265.00 each. The total package including the large camera and two face masks is \$8,778.00, and is listed on this year's capital improvements. Councilman Lavender stated he feels these are good prices, but it would have been nice to have a couple additional quotes. Chief Jones stated he has quotes off the internet. He noted they could have used this equipment at the recent Great Lakes Tissue fire, noting the poly had to be brought outside and three hours later they were still putting out hotspots. Councilwoman Kwiatkowski stated this was already budgeted. Chief Jones replied yes.

Councilman King moved to purchase the Thermal Imaging Camera and Camera Masks for the Fire Department in the amount of \$8,778.00 from Sutphen Fire Equipment; supported by Councilwoman Kwiatkowski. A roll call vote was taken; motion carried unanimously.

▪ **Consideration of Acquiring Home Located at 324 North C Street, at No Cost, for Demolition by the City and to Advertise the Sale of the Property after Demolition** – Chief Jones informed Council on April 1 there was a fire at the residence at 324 North C Street. The owner was uninsured and had very little money. He ended up selling the property to a person out of Traverse City. Chief Jones went on to state he has worked with the new owner throughout the summer trying to get the building demolished or at least partially demolished. This owner kept trying everything he could; originally he tried to get a local contractor to possibly take the building down for the title, but he was not able to locate anybody to do that. Now the alternative for the City, as the neighbors have been plagued with this mostly burned out building all summer, is to either continue on a condemnation process which would mean citing the guy every day if we chose to and eventually seizing the property in Circuit Court, which would add additional time and fees. He has talked to the current owner tentatively and he is willing to sign a quit claim deed for the property to the City at no fee in exchange for the City either tearing it down or having a contractor tear it down. He is seeking bids from local contractors now to tear it down. Councilwoman Riddle asked what size the lot is. Chief Jones replied 50' x 140'. Councilwoman Riddle then asked if that is a buildable lot. Chief Jones replied yes. Clerk/Treasurer asked Chief Jones if there are any delinquent property taxes on that. Chief Jones replied he does not know yet. City Manager/Assessor Eustice replied he has not checked that. Mayor Pro Tem Couture stated if there are delinquent property taxes due the owner is responsible, unless it is quit claimed that it is on us and we are basically forgiving that. City Manager Eustice replied yes, noting it is probably minimal – perhaps \$300.00 for the summer tax bill. Councilman Lavender asked if we know if there are more delinquencies. City Manager Eustice replied he does not know. Chief Jones stated it transferred sometime this summer, but the owner at the time of fire sold it to the new owner on land contract. Councilwoman Riddle stated if the County gets possession of a building if it goes up for the auction, someone from downstate who knows nothing about the building could buy the building and then it sits vacant. Chief Jones stated then it would be two more years of that building sitting there the way it is now as a burned out shell. He then stated he is asking for permission to take possession by quit claim deed and then the City will absorb the cost of demolition. Councilman Lavender asked if he knows how much demolition is going to cost. Chief Jones guessed between \$5,000.00 to \$11,000.00/\$12,000.00. They are also looking at the cost of renting an excavator with a thumb on it and having our operator put it into cans from one of the waste companies. City Manager Eustice informed Council there is State granting funding for blighted properties like this that we can apply for. Mayor Pro Tem Couture asked how long that process takes. City Manager Eustice stated the applications have to be in by April 1 of any calendar year, which can be done with multiple

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properties. Councilwoman Riddle asked if we have to state the property locations. City Manager Eustice replied yes you need to list the specific properties you want to demo in the grant application. Chief Jones stated the Blight Committee is working on some of that now. Councilman Lavender commented he would like to see more information and avenues before we take over responsibility and liability. Councilwoman Riddle asked what would be the value of the property after the building is down. Mayor Pro Tem Couture asked if we can sell it to someone who wanted to build a house. City Manager Eustice stated yes and the value would be about \$3,500.00, adding because it is a lot in a plat it is grandfathered in. Mayor Pro Tem Couture stated he thought that other properties the City has looked at purchasing or have purchased have to be used for public benefit. Councilman Temple stated that is if we seize it. City Manager Eustice stated the property would be donated to the City, noting an expensive \$11,000.00 donation. Mayor Pro Tem Couture commented this is giving somebody relief that doesn't deserve it, basically paying to demolish something that is someone else's responsibility. He understands the other process is lengthy and could cost just as much in the end with time in court, etc. Mayor Bronson noted we then have a piece of property we can't sell. Councilwoman Riddle asked if this would be a viable piece of property that Habitat for Humanity would be able to use because they are always looking for places to build in the community and there is also the Building Trades. Those are two possibilities for bringing a viable building into the community, so it could be a positive. Mayor Pro Tem Couture asked if the house sits on a crawl space or basement. Chief Jones replied he believes it is an old wood foundation. Councilman Temple asked if there is any reason we can't tear it down. Chief Jones will bring Council back a price on that. He stated if the Council authorizes the City to exercise this deal with the owner and he agrees and is willing to quit claim it, then he will come back to Council with prices for demolition by a private contractor or our crew. Councilman Temple stated he is sure on a warm day you can smell it. Chief Jones stated he is shooting for a December teardown. Councilman King stated there is another red house nearby, asking if anybody is living there, noting there are three cars in the back and wondered if it is vacant. Chief Jones replied there is a red house on "C" and Fourth Streets that just recently sold. He paid them a visit a couple weeks ago to clean it up. Mayor Bronson stated his concern wits flows down and they are restricted on how they can sell the property and it seems to take forever and then we end up doing it anyway three years later. He would prefer to get this down and out of there because it sounds like we are going to do it anyway. Councilman King suggested bundling with a grant. Councilwoman Riddle stated when you are looking at grants, you are also looking at grants for other pieces of property. She likes that the Blight Committee is being very proactive in terms of cleaning up areas within the City and it's a multifaceted thing; this is one thing that we would want to get taken care of early on. She noted there are just some pieces of property that are just too small to build on, although this is a buildable piece. There are a couple of alternatives, as she mentioned earlier, that would have access to the property if the City were to, in fact, acquire the property and sell it. She is really in favor of moving forward and getting this taken care of. Councilwoman Kwiatkowski asked if there is any harm in waiting until our next City Council meeting on November 22 at which time the Council could be presented with more prices. Chief Jones stated there is no harm in waiting another week, as he and the City Manager can research to see if there are any back monies owed. They can give Council a list, but does not think we want to share that amount when we are out for bids. Councilwoman Kwiatkowski asked if by November 22 staff will have bids for Council to look at and what it would cost the City to do it. Chief Jones replied they have sought some and are seeking more and can try and have that ready by next week, but would want to hold until we get a final bid on it.

Motion by Councilwoman Riddle to move forward with the process of trying to contact the current property owner and plan on demolition on this piece of property with further information on some of the options we have in terms of the City taking it down, going out for bids, etc.

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Mayor Pro Tem Couture commented it doesn't really have a cap on it and if we say we are doing it, we are doing it; it doesn't really matter what it cost. Chief Jones stated all they want tonight is permission for the concept of getting the property on a quit claim and then they will come back, hopefully next week, with bid prices and tear down costs. Mayor Pro Tem Couture commented if it is too much we can still say we are not interested in that and are not comfortable. Chief Jones stated they will not sign any documents.

Motion by Councilwoman Riddle to proceed with the investigation of this piece of property; supported by Councilman Temple. A roll call vote was taken.

Yes votes: Temple, King, Kwiatkowski, Riddle and Bronson

No votes: Lavender and Couture

Motion carried.

Discussion held. Clerk/Treasurer Kwiatkowski stated he does not think it's prudent to do anything right now until you get some pricing for demolition, pointing out Council needs to remember this is General Fund money. We are already going to be dipping deeply into the General Fund balance this fiscal year. Now when Council talks about bundling other properties; we are not in the demolition business. He understands where the Chief and City Manager are coming from, but Council needs to keep it in mind that this is coming from the General Fund. We need to take a week or two and get quotes on what it would cost to demolish it, as he would not acquire the property until we have that information. Mayor Pro Tem Couture stated they are not and are not going to make a decision on this until there is more information on the possibility of grant funding. It may not be feasible to get it done in December, and is sure this is not something the neighbors or us want to have happen. If this is something we can get taken care of the right way without having to condemn it and citing the owner, that's the proper avenue to take. Mayor Pro Tem Couture stated he does not know what the Chief is suggesting is the right and most cost effective way for the City.

Councilwoman Riddle asked what the motion needs to contain, as the thing is to check with the person who currently owns the property to see if he is agreeable to the process; i.e. either get fined or give it away. City Manager Eustice stated we need to inquire whether the owner will quit claim the property to the City, and then we will get some costs. Councilwoman Riddle commented then at the next meeting they will have more information and see where they have to go, if anywhere, from there. Mayor Bronson asked the City Manager to check and see if there are any other liens on the property. Mayor Pro Tem Couture stressed the need for project costs.

Public Comments:

- **Bring It Cheboygan** – Ms. Sherry Nelson, representing the Bring It Cheboygan group, presenting their Mission Statement to Council and reviewing it. She then reviewed the Vision Statements, including the Short Term Goals, Continuing Goals and Long Term Goals. She noted the Window Committee has assigned windows to groups who are currently working on filling up the 20 vacant storefronts with some sort of Holiday display. They are hoping to do something more generic in the windows following the Holiday Season, such as historical photos. Ms. Nelson mentioned they also have a Trails Committee that is working on kayaking and bicycling to include a big event next fall consisting of a harvest dinner and pedal to table bicycle route. They are working with the Farmer's Market to determine which farms they can go to visit by bicycle and then finish with a harvest banquet at one of the farms. They are also working with kayak people and discussions have been held regarding a map about where kayakers can put in and take out, because there is not a good local map done. The Chamber said they also have a Trails Committee and there is probably some duplication, so they will be working with the Chamber and see if they can get something produced. One of their

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members agreed to help chair the committee to perhaps sell advertising to support the production, which would include trails and water trails. Ms. Nelson then stated they have a great festival planned for next October and plan to piggyback on with the US 23 Discovery Heritage Tour, which runs the first weekend in October. Ms. Sharen Lange, who had a meeting with City Manager Eustice, is chairing their committee. They are planning a three-day festival called Cheboygan Fall Fest that will take place October 6, 7 and 8 and will capitalize on the things they really want to show off such as the triple bridge run. She noted they are working on a logo for bring It Cheboygan and the high school marketing class is working on that with the Logo Committee. Also, the Group had a visit from Haynze Whitmore, who is producing a movie here. It is a horror flick and filming will begin in January at the red house on Huron Street. He is looking for investors. When she sends minutes to City Manager Eustice it will have all of his contact information and knows Council will want to help him out to produce this movie. It will star Bill Mosley, who is supposedly one of the icons in horror flicks, so it could really be a great avenue for them. Mr. Whitmore told her it will bring out a lot of people standing on the streets just to look at the trucks. They will begin filming interior shots in January and outside in May.

Ms. Nelson informed Council the Group has 67 volunteers with a core group of about 25 that come to the meetings every week, inviting Council to the December 5, 2016 meeting at 9:00 a.m. at Purple Tree Books. Councilman King commented he was at a Farmer's Market in Grand Rapids this past weekend. He explained internal tracking available on cell phones and the opportunity to review a business, which includes mapping. Ms. Nelson commented there is a Bring It Cheboygan Facebook page that people can leave comments and she will ask Travis Neuman who set this up about what Councilman King explained. She then informed Council that the farmers had a meeting and they voted to come to Festival Square both days in 2017. They elected their five member Board of Directors, also, and will meet every month until the season begins.

City Clerk/Treasurer's Comments:

- **Election** – Clerk/Treasurer Kwiatkowski informed Council we had a very good election as far as the way it ran for the City. We had 55% voter turnout and County-wide it was better than 60%. Kudos to the ladies that worked the election. Two Precincts puts in a 16-hour day, starting at 6:00 a.m. The rest of us in Precinct 2 put in a 17 ½ hour day. Special recognition for Janet Gahn, his little general at the polls. Anything that comes up she has her laptop and is able to look things up and solve any problems as far as where people need to be and what Precinct they are in. There are different ways we have to handle voters that don't have an ID or don't show up in our rolls. Janet takes care of all of that, so things went very well and very smoothly. Overall it was a good election for the City of Cheboygan.
- **Munetrix** - Clerk/Treasurer Kwiatkowski reported he is working on Munetrix on the City's website, which has all of the financial information that the State of Michigan, Department of Treasury ties our revenue sharing into what we put on our website. The actual 2016 Budget, for the fiscal year just ended, was put on the website today. Also the current 2017 fiscal year Budget was also loaded. Tomorrow he will put in a Projected Budget for 2017/2018. He noted there is pension information, etc. that people can access from the City's website. It has to be updated and approved by the State by December 1 of each year. He noted there is about \$26,000.00 per quarter in revenue sharing that is directly tied to what we put out there on the website, so we are looking at about \$100,000.00 in revenue.
- **Audit** – Clerk/Treasurer Kwiatkowski informed Council they will be wrapping up the audit hopefully by the end of the month, noting there are some things he still has to do, i.e. Management's

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Discussion and Analysis, take a look at the numbers and see what else the auditors need us to do as far as updating our books. It will be pretty busy, but things will quiet down once December 1 goes by.

City Manager's Report:

- **Downtown Christmas Decorations** – City Manager Eustice reported the Christmas decorations were started today and the light pole are done with fresh garland, which the DDA purchased. The fresh garland was much easier to work with. The tree in Festival Square will be decorated either this week or next week.
- **Port Property** – City Manager Eustice informed Council on October 31 Kokosing requested the Baseline Environmental Assessment the City had done when the property was purchased, which they were given the same day and their attorneys are reviewing it. It was in the Purchase Agreement we gave them that they could request any documents the City has. He does not think the BEA will affect the sale, although it slowed the sale down. Ryba Marine is also very interested in obtaining the rest of the property, but are waiting to see what Kokosing does. City Manager Eustice commented that once Kokosing signs the documents, the closing will take place within 90 days.
- **Fall Pick-Up** – City Manager Eustice stated it has been an unusual year for the fall season, as it has been a late fall. The pick-up was started on October 24 to run through November 4, but so much of leaves are not down yet. DPW Director Karmol and Crewleader Fein are working on getting this all cleaned up. He stressed the importance of having this completed before the snow comes.
- **National Guard Armory** – City Manager Eustice said he recently spoke with General Michael Stone and made him aware of a couple things they found out, noting Mayor Bronson pulled some 1955 articles from the Tribune when it was built. The City did contribute \$10,000.00 cash and \$25,000.00 in in-kind services (water/sewer to the building), sidewalk, etc. Mayor Bronson stated the total project cost was \$285,000.00, with the County contributing \$10,000.00 cash. Councilwoman Riddle commented the City has more invested in this property then the County does. City Manager Eustice commented the Army Reserve Unit that was looking at purchasing it and run it pretty similar to the National Guard, but they have backed away. He went on to state there is a Marine Reserve that is interested in it, also, and General Stone is working with them. Other than that, they would be required to auction it because the State of Michigan owns it but the City has some interest in it. General Stone is looking into whether the costs the City put into it are recoverable or how they would deal with that, as this is a unique situation. City Manager Eustice then informed Council there are National Guards that are set to close in the next couple years with several located in the U.P. He noted all the National Guards were State funded, not Federally funded. Councilwoman Riddle commented the Armory would make a nice recreation center. Councilman King agreed. City Manager Eustice stated the location would be excellent being close to the trails and schools. Councilwoman Kwiatkowski said maybe they will donate it back to the City. Mayor Bronson commented that is unlikely due to the amount of money put into the Armory the last ten years. Mayor Bronson inquired as to the underlying zoning of the property. City Manager Eustice replied, single-family residential, which is also an issue. He noted that the former Junior High School was also located in a single-family residential zoning district, but we developed a Re-Use Overlay Ordinance to change the use of a specific property.
- **West Side School** – Councilman Temple asked if West Side School has been sold. City Manager Eustice stated he has heard nothing in that regard. Councilman Temple then inquired about some of the playground equipment that was to come to the City. City Manager Eustice replied the school wanted to keep some of the equipment if our DPW would move that equipment to East Side. Councilwoman Riddle stated it would be nice to move some of the equipment to Project Playland to replace some of the other equipment. City Manager Eustice stated the equipment in Project Playland needs to be upgraded. Mayor Pro Tem Couture commented we have to find grant funding.

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Councilwoman Riddle suggested Crowdfunding. Comments were made on the Kiwanis Club meeting their Crowdfunding goal.

- **Christmas Parade Route** - Councilwoman Riddle inquired on the change in route of the Christmas parade. City Manager Eustice replied it is being shortened to begin at the Great Lakes Tissue property next to the Salvation Army and end at the Eagles, noting this is a Chamber sponsored event.

Messages and Communications from Mayor Pro Tem and Council Members:

- **Streetlights** - Councilman King commented there are certain areas in town at night with barely noticeable street lighting, noting an area that concerns him is the Great Lakes Tissue area because of shift changes. Another comment was made regarding lighting near the library. Councilman King wondered if some of the lighting problems are due to being older type lights and feels an assessment needs to be done due to a safety issue. Also the Recreation Center area is very dimly lit, especially where the housing is. He commented on LED lights being nicer. Clerk/Treasurer Kwiatkowski informed Council he received a call about three weeks ago from Consumers and they are doing a survey of all street lighting in Michigan now and told him we can get high pressure sodium lighting replacements for nothing. He then stated the estimate to replace everything with LED lighting back when former City Manager Stuart was here was about \$300,000.00.

- **Pop-Up Stores** – Mayor Pro Tem Couture inquired if the pop-up store is in place, noting he has heard comments but not negative against the store but that we allow that. City Manager Eustice replied it is in place, being Simply Marcella's. Mayor Pro Tem Couture stated we have people here all year-round that pay brick and mortar taxes and are established, and then someone can come in and scoop up on our busy season and then be gone. He thinks this is something that at least should be discussed, whether we allow it or not. City Manager Eustice stated this is a topic on top of the agenda for the DDA right now, as they want to take a look at it, as well. Mayor Bronson stated there was discussion at the DDA, but believes at the end of that discussion he thought a majority of the people were on the side of allowing pop-up stores whether we have the legal right to do anything about it. Also, the potential of someone that comes in for a couple seasons may see the potential of being open for a whole season rather than part of the year. The underlying land owner is still paying property taxes. Councilwoman Riddle said the land owner is paying property taxes and receiving rent/revenue from the person who has the pop-up store and to penalize them is not fair. They are trying to get a possible sale of their property. Mayor Pro Tem Couture stated this is along the same thing as the food vendors, which is a double-edged sword and we have to walk a fine line here. The discussion and rule needs to be put in place for pop-ups. City Manager Eustice stated pop-up stores can be positive, but do take business away from existing stores. In this case, it is a very well run store. The City requires a Land Use Permit every year, which is a \$25.00 charge; some people feel the charge should be greater. We at least have all the documentation on who they are and what they are doing, as our concern is pop-up stores come in and sell merchandise and leave and never come back. A person is buying at their own risk. Councilwoman Riddle stated that is part of business and people are more inclined to shop if there are more stores in an area. City Manager Eustice stated that is the activity theory, noting the MEDC is in favor of food carts because the more activity someone sees in an area the more inclined they are to stop.

- **Farmer's Market** – Mayor Pro Tem Couture asked City Manager Eustice if he has had any contact from the Farmer's Market. City Manager Eustice responded nothing officially, although he has talked with Steve Crusoe. Ms. Nelson stated Mr. Crusoe was elected to the Board and Mr. Lowell Beethem was elected the Market Master, so he will be in charge. Mayor Bronson stated having a Board is a first for them. Mayor Pro Tem Couture asked City Manager Eustice when he and Chief Jones discussed the food vendors if the Farmer's Market was discussed, as well, in that same conversation. City Manager Eustice replied they did not. Mayor Pro Tem Couture stated that conversation also

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needs to be had and a policy has to be created. They cannot do anything unless we put forth the guidelines. If they are going to be allowed to use Festival Square, what are the parameters? He does not want to restrict it at all, but the paperwork has to be in place so there are no questions of what can and can't be had. Do we want to allow them in other parking lots, etc.? Chief Jones commented this is contained in the suggestions he gave to the City Manager. Mayor Pro Tem Couture asked if they are looking for feedback from Council. Chief Jones replied that Council makes the decision. Mayor Pro Tem Couture stated the communication has to continue via e-mail on some of the hot topics to keep Council in the loop on some of these items, noting there was three weeks between meetings. Councilman King agreed, stating he does appreciate getting e-mails. City Manager Eustice stated he certainly can do more of that.

- **Former Talk of the Town Building** - Councilwoman Riddle stated there was a movement to try and have the building adjacent south of Festival Square, but that fell through because someone else purchased the building. She asked if there is any information on that building. City Manager Eustice replied the building was purchased by Mr. Chris Sangster and they are going to develop a yoga center in the building closest to Festival Square and eventually they will probably open back up a small restaurant/pizza restaurant. The large part of the building is going to be a yoga center.

- **Former Viau's Clothing Store** – Councilwoman Riddle inquired as to what business is going into the former Viau's Clothing Store. City Manager Eustice replied it is going to be a health food store. They are doing some work in there and are probably not that far from opening.

- **Former Walkway Café** – Councilwoman Riddle asked about the status of the new business in the former Walkway Café. City Manager Eustice stated most of the work for the new business will probably take place next spring. Sharen and Brian Lange, who are purchasing the building, are going to approach Council to get a downtown liquor license. If there are no liquor licenses available in the County that one can purchase, then you can apply, if you are in a DDA District, for special liquor license that is only specifically for that building. This should take place this winter. The Lange's are also going to go through the Façade Program for their renovation and have already talked with the MEDC. They will be putting significant monies into that building.

- **Website** – Councilman Lavender inquired as to the status of the new City's website. City Manager Eustice responded in 15 days we will have a model we can look at. Councilman Lavender then asked the time it was supposed to be done in. City Manager Eustice responded a year ago, at least. City Manager Eustice stated we had some issues with that and he finally called them and told them we need to get it done, noting the company has a pretty good reputation although they lost several cities in the State for the reason they did not get it done. There was no set deadline for completion. Mayor Pro Tem Couture stated we need to do that in the future to make sure they deliver or we get our money back. Mayor Bronson stated we don't want to have to be following everybody to make sure they do what they should. City Manager Eustice stated he had a conference call with them about 15 days ago, at which time they said in 30 days they would have a site up for us to look at and make changes to. Through the new website, we will be able to take credit cards for utility billing and property taxes.

- **Wireless Signal to Festival Square** – Councilman King asked if there is any way we can feed a wireless signal to Festival Square with a separate router. City Manager Eustice replied possibly. Councilman King stated this would not be free to the public, but to those that are renting it or using it, such as the Farmer's Market. City Manager Eustice added it would have to be password protected. He then stated we are now a member of the Michigan Farmer's Market Association, which allows us to run all the programs such as Fresh, etc. and a lot of them go through credit cards, Bridge Cards, or Double-Up Food Bucks (for twice as much product). This is all done electronically.

- **Meijer's** – Councilman Temple asked on the status of Meijer's. City Manager Eustice stated he has not heard anything, as Inverness Township is trying to determine how to fund it. We have a utility service agreement that they have looked at, but it is not in the final stage yet. It should be in the final

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stages by next week. Councilwoman Riddle asked if it was looked at favorably. City Manager Eustice stated there has not been a lot of feedback. Clerk/Treasurer Kwiatkowski commented the draft does not have numbers in it. Mayor Pro Tem Couture stated there are no numbers attached to it for costs. He gathers this is what they are waiting for. City Manager Eustice replied not necessarily. We know what the costs are, which are 150% of what the City residents pay and they have known that for two years. Mayor Pro Tem Couture commented there is also tap in/hook-up fees. Mayor Pro Tem Couture then said he got feedback, stating the City, Inverness Township and Inverness Township DDA are not on the same page. He then asked how we get there, noting it is kind of on the City. Clerk/Treasurer Kwiatkowski stated we will get them the information, but they still have to come up with the financing to pay for the infrastructure. Mayor Pro Tem Couture stated but if they don't know what that is. Clerk/Treasurer Kwiatkowski stated that is up to the Township, not the City. We are not going to give them a price on what it costs to build the infrastructure. Mayor Pro Tem Couture said the simple fact is they are still waiting for an agreement that they asked for and they haven't gotten it yet. Councilwoman Kwiatkowski inquired on the 30,000 gallons they want. City Manager Eustice stated we replied with 10,000 gallons. He did have a long conversation with Mr. Bob Andrews last week and showed him the draft. He also gave him the information for the District MDEQ Director, Brian Thurston and told him to call him because he is the individual that is going to permit this whole process and understands our system better than anybody. Inverness Township, he thinks, does not have a good understanding of what it takes to run a water system and what the permit process is and who can manage it. We can't just sell water to another unit of government and Inverness Township believes they can buy water from the City of Cheboygan and then resell it to customers in Inverness Township, which is why they wanted 30,000 gallons a day to sell to other multiple customers. They cannot do that because you have to be a supplier and have a licensed operator in place, as well as a 20-year master plan and capital improvement plan. All of this has to be in place before the MDEQ will permit a water line even going into the Township. The City of Cheboygan has all that in place and that's the reason they need to utilize our expertise and experience and our water operators. The Township needs to build the line and turn it over to the City. Councilman Temple asked if the Township has all the answers it needs from the City. City Manager Eustice responded in his opinion, yes. If they are asking for something we can't give them, then no. He has given them every possible answer he can. Mayor Pro Tem Couture stated he believes that, but somewhere the communication line is severed and does not know whose fault it is, or if it is a fault. City Manager Eustice stated the letter dated October 4, 2016 was to him which asked him to put in writing how much water we are going to sell them and at what price and what the tap-in cost would be. There is no way that he would ever put that in writing because it is an unreasonable request. There is much that is contingent upon how much water you can push into the Township. Mayor Pro Tem Couture asked if City Manager Eustice has had this conversation with Mr. Ron Neuman. City Manager Eustice replied yes. Mayor Pro Tem Couture then stated that is all he needs to know because that is the explanation that needs to be given that what they are asking for is not possible and this is what they need to do. City Manager Eustice then stated we are moving forward as best we can and they should be building a line by next spring.

▪ **Flags** – Councilman Temple commented he has received several calls regarding the unlit flag on the Blaskowski Memorial in Washington Park. City Manager Eustice stated he talked to this gentleman today. Councilman Temple then stated there is no light on the flag at City Hall. He stated this has been corrected. Councilman Temple asked if it is City owned property where the flag is on the pier at Gordon Turner Park. City Manager Eustice stated it is located on the Crib Lighthouse, which is City property that sits on State land. Councilman Temple stated if there is no light on this flag then the flag needs to be taken down. City Manager Eustice stated he thought there was a light, but will check with Mr. Hancock, who takes care of all the flags. Councilman Temple said he was informed that all City buildings need flags, not just the main building, which is City Hall. City Manager Eustice stated they

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researched that and all municipal buildings are required to have a flag on the main building, i.e. City Hall; although we do have flags at most of our facilities with lights on all.

Adjournment:

Councilman King moved to adjourn the meeting at 8:52 p.m.; supported by Mayor Pro Tem Couture. Motion carried unanimously.

Mayor Mark C. Bronson

Clerk/Treasurer Kenneth J. Kwiatkowski

Councilman Joseph Lavender

Councilwoman Winifred L. Riddle

Councilman Vaughn Temple

Councilman Nathan H. King

Mayor Pro Tem Nicholas C. Couture

Councilwoman Betty A. Kwiatkowski