

REGULAR CITY COUNCIL MEETING
November 22, 2016

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: King, Kwiatkowski, Bronson, Temple and Couture

Absent: Riddle and Lavender

Councilman King moved to excuse Councilman Lavender and Councilwoman Riddle; supported by Mayor Pro Tem Couture. Motion carried unanimously.

Councilman King led the Pledge of Allegiance to the Flag.

Approval of Agenda, and Receive and File all Communications:

Mayor Pro Tem Couture moved to approve the Agenda and receive and file all communications; supported by Councilman Temple. Motion carried unanimously.

Department, Board and Commission Reports:

- **Department of Public Safety Monthly Statistics, October 2016** - Received and filed.
- **Downtown Development Authority Board of Directors Meeting, November 1, 2016** - City Manager Eustice stated they are still working on the trip hazards and the DDA discussed filling in the concrete areas to level off the cove areas and it was decided to send out Requests for Proposals to see what the cost would be. City Engineer James Granger sent out RFPs, which were due November 18, 2016 and none were received. In the spring they will again send out RFPs. Ideas were also discussed about using colored concrete which will alleviate the cut-out areas, although the trip hazard will remain and bollards will have to be put up during events. Shortly after the New Year, weather permitting, the City will begin building an ice rink.

Unfinished Business:

- **Consideration of Mobile Food Vendor License Application, Fees and Guidelines** - City Manager Eustice informed Council that Chief Jones has prepared a Mobile Vending License and has made some suggestions. Also this afternoon a letter was received from Mr. Eric Wheeler with his opinion on the mobile food license, which Council has been given. He went on to state that Chief Jones has edited the current License Application and added some things to it; the two significant suggested changes to this are the license would require that a mobile food vendor be 250 feet from a similar or like food establishment (the current license is 100 feet) and the second is the fee charged – the fee for City residents is recommended at \$600.00 per six months and/or an annual fee and \$900.00 per six months and/or annual fee for non-City residents. City Manager Eustice then informed Council that Chief Jones did investigation of other municipalities around Northern Michigan, noting the fees in Traverse City and Harbor Springs are significantly high, while Boyne City charges nothing. It's a matter of level we want to charge. The 250 feet from similar like food establishments is a suggestion, although they talked about a situation like Johnnie's who wants them there at certain times of the day, so maybe we need to include a clause in the license if a business wants a mobile food cart near their establishment.

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Chief Jones addressed the Council stating in their packet is his memo to the City Manager, dated November 10, 2016. To set the record straight, they are not creating a new ordinance, as most of the amendments are made to the License Application, noting this falls under the peddlers, transient merchant or solicitors licensing ordinance. We don't have to create an ordinance and some things may have to be amended to that ordinance if the Attorney finds necessary, but most of it's covered under the decision of the Council on the License Application. Chief Jones then briefly reviewed the eight considerations staff is asking Council to look at or that the vendors and/or the business people are asking to look at. He then highlighted some of the considerations regarding zoning and whether multiple businesses are allowed on one lot, as the City has zoning restrictions that prohibit that and generally those are allowed in a B-3 (General Business) which is usually south of Nelson Street on Main Street and beyond "F" Street on State Street. Examples include the K-Mart Plaza and Lincoln Bridge Plaza. There was no restriction previously on hours of operation. Most of the insurance carriers recommend one million dollars minimum liability. Chief Jones went on to state the importance of appearance and compliance with zoning, signage, noise and all other ordinances and State and Federal regulations. He pointed out that all the vendors will be required to be self-contained and/or have water, electricity and sewer coverage. He then referred Council to the sample draft of the Mobile Vending License, Regulations and Required Documents briefly reviewing the same stating in the past he gave the vendors three locations that they pretty much picked keeping in mind they were a distance from similar or like businesses. There were a few complaints on the guys operating in the wee hours of the morning by some of the residents living downtown above the stores. The rest of the Regulations are from our prior License Application, the cities of Traverse City, Charlevoix and Harbor Springs; Chief Jones then reviewed the same. He noted that last year he set Moulder's Mobile Mouthfuls 200 feet from a similar/like business, which seemed to work for most of the season although other issues came to bear on it and in turn created the letter Council received from some of the businessmen. Chief Jones then read: "Vending is prohibited on public property within one block of a City authorized street fair, public festival, farmers market or event, unless authorized by the event sponsor." He stated this appears in bold print because this is a major section they have in the Traverse City ordinance. In the past when there has been an event at Festival Square and one of the local vendors wanted to get into it, there is an additional fee above the license fee. Chief Jones explained not operating in a clear vision area on a City street is generally 3 or 4 car lengths from the corner. He knows that Moulder's is working on rather large van for next year, which will obviously be a bigger vision obstruction on certain corners so it may have to be farther down the block or where there is a red light or four-way stop because it will take up more vision of someone wanting to pull out on Main Street from a side street. It is anybody who would come with a larger truck. Chief Jones commented although some of the Regulations are repetitive they want to make sure they bring everything to the attention. He noted that in the past he has had to warn vendors of loud music, amplification devices or "crying out". Also, the portable sign square footage allowance is tied in with the City's Sign Ordinance. Chief Jones then informed Council there have been vendors using power supplies, etc. without authorization in the past, which was corrected.

Chief Jones then briefly reviewed the Required Documents, noting that these have all been in place for quite some time with the exception of a photograph and brief description of the food vendor unit, which came from another municipality, and the cooking method contained in the Vending Unit Information section of the Mobile Vending License. He then reviewed the fees he recommended last April, noting another consideration is to have two options of a 6-month or one-year license and/or whether Council wants to consider anything for a resident or non-resident. An issue was does that mean County resident, but it is a City resident. The current three vendors that we had under license are all City residents. Chief Jones noted that they have not had a problem with vendors leaving their

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food trucks parked beyond one hour before or after scheduled hours. He then noted that Veteran Owner Operator is required because of State Statute.

Chief Jones then directed Council to the November 10, 2016 Memo listing the mobile vending fees of other communities, reviewing the same. He then asked for questions. Mayor Bronson inquired if the certificate of insurance requirement is something new. Chief Jones replied no. Councilman King commented the City is to be listed as an additional insured. Chief Jones then handed out copies to audience members on the recommended fees. City Manager Eustice asked if the Health Department requires the Certificate of Insurance to get a license. Chief Jones replied no, as the Health Department's is basically with food regulations. Andrew Kosack of Duke's Dogs commented in order to do business on MDNR property they required him to have this type of insurance.

Mayor Bronson asked what the 250' boundary, in practical sense, does to people and does it really limit as to where food trucks can be. Chief Jones replied in some blocks it could, noting it is generally one-half the length of the average City block, noting this is strictly up to Council. He pointed out the Dairy Queen block is about a 500' block; the next block from Elm to Division is about 800' to 1000'; the block of Citizens National Bank is a little bigger; and the next block from Backus Street to State Street is around 500'. City Manager Eustice commented the 250' regulation would basically eliminate the ability to put a food truck from Mackinaw Avenue to Nelson Street. Mayor Bronson stated this is the issue we want to discuss of food trucks in the DDA District. Mayor Pro Tem Couture stated first and foremost do we want food trucks in the DDA District and after that then all the next things go down the checklist, i.e. how much do we want to charge, etc. His biggest concern personally is not allowing food trucks in the downtown as it's a good thing to bring people downtown. He has a concern that any business, not just like businesses, should have the ability to say they don't want a food truck of any sort put in front of my establishment. The location where a food truck wants to do is basically a permission thing. Mayor Pro Tem Couture stated further it is his opinion it is kind of a right of people who own businesses on Main Street, which is why they have their business there, have the brick and mortar, pay taxes, and the food trucks is a separate kind of deal. He is not trying to hinder the food cart, but thinks Council has a responsibility to protect those brick and mortar taxpayers, as well. Even though the food cart vendors are taxpayers, those brick and mortar owners pay City property taxes for their business, even though they might not live in the City. His concern is protecting the local businesses that don't want them in front of their business. Mayor Pro Tem Couture then stated he works for Johnnie's and thinks they are okay with having Moulder's Mobile Mouthfuls in front of their business, although he hasn't talked to the owner, and if this is the case have it signed off on and when the Application is completed as to locations of operations, there is a permission letter from the business owner.

Councilman Temple stated his opinion is the people that stop at these food carts are not headed to a restaurant, they are in a hurry. If they don't stop at the food carts they will head to McDonald's or Burger King. Mayor Pro Tem Couture stated he does not think it hinders businesses and if it does, it's competition and that's how it works. Councilman King mentioned we are moving into a new economy and it's tough running a brick and mortar food business here. The food carts are start-ups and, as mentioned in Mr. Wheeler's letter, they eventually get their business model down and product down and eventually may move into something. But as far as attracting people in the summertime, the livelihood it brings to have those kind of things out on the street is a great thing. We would be very short-sighted if we ignore that, as it does exist in other places. He thinks we have a chance here to work with people starting up and find a compromise and do this. Councilman King then stated he agrees with Mayor Pro Tem Couture that the 250' kind of limits Main Street. He thinks with a compromise with businesses owners having it out front in specific hours is not too far reaching.

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Mayor Pro Tem Couture asked Chief Jones if we can regulate this on a trunkline. Chief Jones replied yes, noting he received an e-mail from MDOT. Chief Jones then pointed out to Council the July 20 letter from multiple businessmen and the July 18 letter from one businessman, which is what really brought this back to the table. Mayor Bronson commented the 250' is too much, but is also concerned with us allowing business owners to regulate what is happening on public property. Mayor Pro Tem Couture stated then the only way to regulate that is to not allow it, and he is trying not to do that but is trying to protect what's there because it is one thing when somebody parks in front of your business and goes to another business, which you cannot control. But when somebody sets up shop in front of your business, whether it's the same style business or not, he has a little issue with that unless the business is okay with that. Mayor Bronson commented his mother owns a store on Main Street and often complains about people that work downtown parking in front of her business, and she thinks she should be able to tell them to move. If we enforce that, we are going to have people marking out property up and down Main Street. Chief Jones stated this issue came up about 35 years ago and the City Council at that time took out the meters due to the development of the box stores. Mayor Pro Tem Couture commented the downtown area is a constantly revolving changing morphing business place. It has gone, just by joining groups and getting help to revitalize our downtown. The mobile food carts could be a part of that, which he wants, but he also doesn't want to deter someone from opening a business knowing they have competition that has free reign to come as close as they want to their business. We are going to have to all come to an agreement, but it will ultimately be the decision of Council. Mayor Bronson commented the different atmosphere of food trucks, such as when he goes to Duke's Dogs, and he ends up talking with whoever comes up and it is a whole different community, not like that of sitting in a restaurant and only speaking to who is at your table. He thinks if we had more of them we will get more people talking and walking up and down the street hopefully shopping. City Manager Eustice commented the MEDC's theory is that activity breeds more activity, so if you have food carts downtown and if people are driving by and see that activity they are likely to stop, because we don't have a lot of activity downtown. It's a new game, a different idea from the traditional restaurant, and it's the wave of the future. Do you support the brick and mortar owners' opinions or do you move forward and allow the new era of food service? Councilman King stated he does not think the fact that we have food vendors is what is keeping people from going to the doors of the businesses. Everything is closed at 9:00 p.m. and people won't come back. He understands what the business owners are saying, but thinks it's a free market and we need to adapt. Business owners can compete with this by putting out a food cart themselves. Mayor Pro Tem Couture asked Councilman King what his thought is on regulation in front of a business, none? Councilman King stated he knows it can get into a grey area as far as having permission. It is an okay thing to do, but we can cut down the footage and operate the way we have been doing. There are certain ones, such as the Brewery, that loses prime parking in front of their business. He can see that argument that during prime operating hours they are losing that traffic flow.

Mr. Eric Wheeler stated he does not think the issue is being in front of a business, noting it will keep us from being in front of any business without permission. If someone wants him in front of their business and a business next door does not want to allow it, he feels the rules in place already deal with that situation. Chief Jones stated in the beginning Mr. Wheeler was set up in front of the Brewery and the first year there were some issues with waste disposal and such, so they agreed to move. Then they came back and told him they talked to the Brewery and ironed it all out, at which time he asked for a letter from the Brewery, which he got. He does not think all the partners of the corporation knew about the letter. Then last year there were additional complaints from the Brewery and the Dairy Queen. Chief Jones then played negotiator and the distance was changed to 200' so it put them back off the edge of the Brewery and it kept them 200' from the corner of the Dairy Queen. Distance can be done any number of ways, i.e. front door distance. The Council needs to consider

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whether it's going to be similar like businesses they'll get complaints from or another adjacent business. He thinks the 100' rule is safe, based on experience. Other communities are having issues and are going back to the drawing board. Chief Jones stated Duke's Dogs has probably the hottest spot in town, noting he has plenty of parking. Most places he goes he always has plenty of space. Councilman King stated he has no problems with the structure as presented and thinks it's very reasonable; however, when it comes to 7 or 8 vendors it is going to get monkeyed up downtown with vendors competing with each other. Mr. Wheeler commented he was not upset when Duke's Dogs showed up. Councilman King also stated the additional fee for a special event is reasonable, too. Mayor Bronson stated this food truck philosophy is similar to the pop-up stores. Business people say we shouldn't allow pop-up stores because they are not here all year, which he does not necessarily agree with. These issues are tied together and we are looking at a different economic tool or method and decisions we make about this are going to carry over to the pop-up store. Mayor Pro Tem Couture stated also the Farmer's Market. Mayor Bronson said he thought the suggested fees were high and part of the reason is that it is a drastic change from \$100 to \$1200 per year. Councilman King suggested adjusting it for a seasonal fee. Mayor Pro Tem Couture stated he feels it's reasonable to offer a 6 month fee. Mayor Bronson commented he is thinking a fee of \$300.00 for a year and then other rates for a partial year, and if we wanted to we could charge more for a non-resident. He noted in other cities, some of the food trucks are connected to a restaurant in town. Mayor Pro Tem Couture stated that could easily happen here, noting he does not care what the fee is but that the regulations, if we need them, are discussed and cleaned up.

Mayor Bronson asked for comments from the audience. Mr. Kosack commented the recommended yearly fee is way out of line and \$300.00 is real workable, noting they are trying to attract business here in Cheboygan. The MEDC says the activity supports other businesses and brings tourists in. \$1,200.00 a year is hard to swallow and he does not want to move and does not want the City to price him out. \$300.00 is reasonable for the season, and something needs to be discussed for the off-season, as he is a year-around business. Mayor Bronson asked if very many food carts are year around. Mr. Eric Wheeler stated once he gets his truck, he will be year-around. Mayor Pro Tem Couture stated he is okay with \$300.00 for a 6-month period and if you are annual, then do it again. Mr. Kosack suggested one-half price for the winter time, as his business is just like everybody else that slows after Labor Day. Mr. Kosack stated his other concern are the blinking lights, as he has an open sign with LEDs that spin around and blink and it's not a strobe. Mayor Pro Tem Couture stated he thinks signage should be the same as the Sign Ordinance. Chief Jones stated the light that Duke has now is flat and does not face the traffic.

Mr. Eric Wheeler of Moulder's Mobile Mouthfuls stated the 250' distance is too much and the fees are too high. He explained, like Mr. Kosack, he started with nothing trying to build an empire. He would like to see us more on par with Charlevoix at \$450.00 for five months, feeling \$300.00 is more than fair. He stated he has a petition that states the person signing is in favor of keeping food trucks in the Cheboygan downtown area. He got 1,000 signatures in two weeks, noting a lot of people want them downtown. Most of the signatures are Cheboygan residents, and others are those that come in from out of town and spend their money here.

Councilman King stated up for discussion are hours of operation, asking what the vendors think is ideal because Council is looking out for its residents, also. Mr. Wheeler stated he operates all day with lunch, dinner and late night. There were complaints of his cart being outside of Johnnies in the wee hours of the morning and the City will continue to get those complaints. About the time they started operating outside of Johnnies, smoking was outlawed at bars. Everybody goes outside regardless whether he is there or not. He wouldn't really like to see a time restriction. In the summer

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he is planning on a smokehouse truck so he would be smoking the next day's food all night long. He was thinking maybe somewhere downtown, but not in a residential area. Having his truck located where he would operate all night long, a 24-hour burger, fries, breakfast, etc. because he will have a guy there running the smoker. Perhaps time restrictions in certain places would be better. Councilman King commented there is nobody here other than the peak time in the summer. Mr. Wheeler stated downtown there are two restaurants open past 2:00 p.m., not including Subway. Mayor Bronson asked if the business is going to regulate how long he is open. Mr. Wheeler replied yes, as will weather.

Ms. Lynn Hall introduced herself as a citizen stating she did research this week and made a copy of Traverse City's application and ideas and they mention only having a maximum of two vendors in a certain area, so there would be only two vendors downtown. Then two vendors on a different block or by parking lot. It sounds to her that the businesses in Cheboygan are trying to monopolize the traffic and thinks their influence stops at the sidewalk because it is the City sidewalk that runs in front of the business and then the City street, so the monopoly they have over is only in their business. Mayor Pro Tem Couture commented the property taxes for that business pay for those sidewalks and streets, etc. Ms. Hall stated this is where Council can come in and try and make everybody happy and put the vendors 100' away from any same type business. Mayor Pro Tem Couture replied that is exactly what they are trying to do. Ms. Hall stated the food trucks pay taxes, too. Not everyone has enough capital to own a restaurant and it allows people with great ideas, great food and great recipes to serve their creations to the public and do it in a very open and communal way. Ms. Hall then stated in New York City they found that the vendors were transferring licenses because they were usually non-transferrable and when they do that it limits the variety of food because the type of food goes with the license. This is something the City might want to consider. Chief Jones commented this is addressed under the Health Department. Mr. Kosack from Duke's Dogs inquired if there were any business owners present. There was no reply. Mr. Kosack then stated the brick and mortar owners are paying a tax on a capital investment that will appreciate in value while the vendors' trucks and motor vehicles do not. Mrs. Trudy Lofgren asked if the letter Chief Jones referred to contained objections from the merchants downtown. Mayor Bronson replied it was from people that offer food. Mayor Pro Tem Couture added it was from restaurant owners and basically stated the town is already well-served enough for restaurants and we don't need any more.

Mr. Scott Herceg, Cheboygan Area Chamber Director, commented he grew up in Traverse City and worked in Harbor Springs and those are both different economies than Cheboygan. The time he was involved in both cities was prior to the food trucks so he does not have a lot of insight there. The Chamber of Commerce has members on both sides of the issue and thinks there has to be a balance and can appreciate the brick and mortar position. Mr. Herceg stated he thinks this is exciting and an economy enhancer to having food trucks in this community and more often than not it is a positive thing. The Chamber does not have an official position but it has to be fair. He does think the discussion about the distance makes some sense and thinks the discussion about getting permission from whoever they are setting up in front up makes a lot of sense. On a personal note, Mr. Herceg commented the fees need to be fair and the proposed fees of \$600.00 and \$900.00 are a little high. He then suggested that the word sponsor on the Mobile Vending License Regulations be changed to producer, as sponsor is usually someone giving money to hang a banner at an event and producer would be the legal entity that is managing the event and providing the event for the community.

Councilwoman Kwiatkowski inquired on the section regarding locations, asking if these places are where they are going to be all summer long and they don't move. Mayor Pro Tem Couture replied he thinks what would work if there is going to be multiple locations a vendor could be located at, but if

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there is an entirely new location a re-apply is required. Chief Jones stated that is exactly how this is handled.

Mayor Pro Tem Couture excused himself from the meeting at 8:08 p.m.

Ms. Lynn Hall commented in another city they found out the people who were doing the inspections were also issuing the permits and that caused a problem in choices of food. She asked if the City has control over who inspects. Mayor Bronson replied no, the inspection is the responsibility of the Health Department.

Mayor Bronson asked Council how they wish to move ahead on this issue and do we want to wait until we have a full Council. City Manager Eustice suggested that all the information be digested before making a decision. Councilman King commented on the fees suggested May through October of \$300.00 and dropping it down to \$150.00 for November through April, in addition to keeping the 200' distance. Mayor Bronson agreed on the distance, but with permission. Mr. Wheeler stated he would like to see that the distance stay the same from like businesses and then if they were going to be in front of an unlike business, that permission would be required. A brief discussion was held by staff, Council and audience members. Councilman King recommended that any further discussion not be held until after the New Year. Mr. Wheeler commented as long as it is finalized in January.

Councilman King moved to table the mobile food vendor issue until the first meeting in January 2017; supported by Councilwoman Kwiatkowski. Motion carried unanimously.

Councilman King thanked the audience for attending and Chief Jones for his work, as well as the City Manager.

▪ **Discussion – Fire Damaged Home Located at 324 North “C” Street** – Chief Jones commented there is information regarding equipment rental and disposal rates for the demolition and removal of the home at 324 North C Street that burned last April. He talked with the current property owner, noting the current owner has no insurance and is willing to deed the property to the City for free. He then reviewed the cost if the home was demolished and removed by City staff. There are only two trash companies in our area with 3-yard dumpsters and are relatively close in cost. There is a question of whether or not it has hazardous material, primarily asbestos. An environmental assessment is required and the County permit for demolition is \$100.00. The removal of hazardous material could double or triple in cost. Mayor Bronson inquired as to our crew having to have hazardous waste gear, etc. Chief Jones replied he does not think that would be required. Since this was a fire, and if there were hazardous material, it is all together now with the non-hazardous material. He then stated he suspects none of the contractors bid with hazardous materials in mind, noting Darrow Excavators covers it in their bid. He then reviewed the two bids received for the environmental assessment. The City’s cost was computed included everything, noting it was higher than E.F. Wilkinson & Sons, the low bid. At this point, the question is whether Council wants to proceed on demolition. He noted in the past the City has placed the demolition of a building under the nuisance ordinance and the cost was placed as a tax lien and we were paid. On another property on South “E” Street, the process took a little over three years through the Chapter 95 (nuisance) enforcement with no citations; however, it did go to Court. The City did get a lien payoff on this one, also, which was paid by the County under foreclosure on tax sale. Chief Jones noted we can go the same route on the home located at 324 North C Street, but the owner has no money and had no insurance. We can start enforcement action and citations, the first one if issued tomorrow would probably take 30 days for the owner to contest it in Court and then proceed from there. Chief Jones informed Council the biggest thing he is trying to

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accomplish is getting the building removed. Mayor Bronson commented when he drove by the property today there were people in the house, adding the door was open with two or three vehicles parked there. Chief Jones responded he will call the current owner tomorrow. Mayor Bronson then stated at \$5,000.00 he can see this, but at \$10,000.00 or \$11,000.00 that is harder to swallow. Councilman King commented he worries about precedence setting and people walking away from their properties, adding he agrees with the Mayor. Mayor Bronson stated it seems we need to have the environmental assessment done immediately, as it will affect any bids in the future. Councilwoman Kwiatkowski inquired as to grants available. City Manager Eustice replied it is a possibility but not as good of an opportunity it once was. There is still a grant funding program through the MEDC, but most of those monies were expended last year. We do not have to take possession of a residential property to get a grant. The MEDC says grants could be available, but there is very limited money compared to what they had last year. They would rather push those monies to commercial properties that are severely blighted. We are more likely to get a grant for something like the Gold Front. Chief Jones noted Cadillac received about \$80,000.00 last year for residential, noting the Blight Committee is looking at preparing for a grant for blighted properties. Mayor Bronson commented there are other buildings we would rather see demolished. Chief Jones noted there is a private property owner under blight enforcement that is demolishing this himself on Mackinaw Avenue. He then asked if Council wants the City to have the environmental assessment done. Mayor Bronson responded he does not know who else would do it if the City doesn't, and would feel safer if it's done. City Manager Eustice commented if we are going to take possession of a piece of property we should know what we are getting. Councilman Temple stated the house could end up being there forever. City Manager replied it could be there for a period of time and we still could use the ordinance lien process. Councilman Temple asked how often the City can serve the owner on the blight. Chief Jones answered every day. Councilman Temple asked what good that would do if the owner does not have any money. Chief Jones stated that will be between him and the Judge and does not see the Judge ruling against our ordinance, noting the owner could still be responsible for the costs, etc. City Manager Eustice commented we could get a court order to tear it down, for which we would have to bear the costs, and then we could place an ordinance lien on the tax bill for the cost. In this case, the current owner is not going to pay that. He went on to state we could get made whole when we have settlement with the County Treasurer, but the County Treasurer has the right to charge back those monies if they don't make monies at the tax sale that is typically in August. In the end we could end up paying for it. Councilman Temple stated if it cost the City \$12,000.00 to tear the home down, we wouldn't even get one-half of that back. City Manager Eustice informed Council the vacant lot would only be worth \$3,000.00 to \$3,500.00, so there would be a definite net loss. Councilman King suggested having the environmental assessment done by the City and to see if grants are available next year.

Motion by Councilman King to proceed with the environmental assessment on 324 North "C" Street property with Otwell Mawby of Traverse City, Michigan at a cost of \$1,050.00; supported by Councilwoman Kwiatkowski. A roll call vote was taken; motion carried unanimously

General Business: *(None)*

Public Comments: *(None)*

City Clerk/Treasurer's Comments: *(None)*

City Manager's Report:

▪ **Christmas Parade** - City Manager Eustice announced Saturday, December 3 is the Christmas Parade at 5:00 p.m. with Santa Claus in Festival Square following the Parade. Chamber Director Scott

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Herceg noted the shortened route beginning at Court Street to the Eagles parking lot at the end of Main Street.

- **Good Morning Cheboygan** – City Manager Eustice informed Council on December 9 at 7:30 a.m. is Good Morning Cheboygan at Citizens National Bank with the high school catering. The cost is \$7.00 for the general public and \$5.00 for Chamber members.
- **Planning Commission Meeting on November 21, 2016** – City Manager Eustice stated the Planning Commission met last night and he is having the Commission look at revising our Capital Improvement Plan. There was a CIP approved in June 2015 by Council, which was a five-year plan. One of the reasons for revising the CIP is that the MEDC Redevelopment Ready Communities (RRC) process wants a six-year plan, so the next CIP will go from 2017 to 2022. He will attempt and have it more detailed, realistic and prioritized of what we can and cannot do. The current CIP was put together hastily because it was needed for grant funding and a CIP is always needed for grant funding purposes. You can still put capital improvements in a Plan to try and get there, but you don't necessarily have to do everything in a CIP. City Manager Eustice noted a very critical part of the CIP going forward is grant funding and/or loans for water system sewer system upgrades. Mayor Bronson asked if we have plans on hand for "ready to dig/shovel ready". City Manager Eustice replied yes. Councilwoman Kwiatkowski stated it is time to be proactive. City Manager Eustice informed Council that water and wastewater is required to have a master plan for capital improvements by the MDEQ, which is one of the reasons why we got \$987,000.00 for Huron Street water improvements noting, however, the entire Huron Street was in the Plan.
- **2017/2018 Budget** – City Manager Eustice said he and Clerk/Treasurer Kwiatkowski are looking at the Budget for next year. They will try and have some preliminary ideas by at least the first part of January. He noted the rate of inflation came out in October from the State of Michigan for assessment purposes and it was only 0.9%, which is what the taxable values will increase. Last year the increase was 0.3%. He noted taxable value is capped other than the rate of inflation or if you make improvements. There was not a lot of construction/improvements this year either. The Budget for 2017/2018 will not look a lot different than this year's. City Manager Eustice then stated we also have both the AFSCME and POLC Contracts expiring the end of June 2017, which will have to be renegotiated and we will have to take a serious look at.
- **Bring It Cheboygan Group** – City Manager Eustice announced the Bring It Cheboygan Group has made an effort to decorate the empty stores downtown and they did a wonderful job and will look good for the Christmas season.
- **New Businesses Downtown** – City Manager Eustice informed Council the Mother Nature store should be opening soon, noting Simply Marcella's is open.
- **December Board of Review** – City Manager Eustice announced that December 13, 2016 at 5:15 p.m. is the December Board of Review, prior to the next City Council meeting. Notifications will be sent out to Council.
- **Public Hearing, December 6, 2016** – City Manager Eustice stated MDOT will hold a public hearing in the Council Chambers with regard to the State Street Bridge project on December 6, 2016 from 4:00 p.m. to 5:30 p.m. MDOT will publish this and get notification out. He noted truck routes will be Lafayette Avenue to Lincoln Avenue to Western Avenue. For trucks to turn on Main Street off the Lincoln Avenue Bridge is difficult, which MDOT is aware of, and will be discussed at the meeting. City Manager Eustice then informed Council about 40% of the gas trucks coming out of U.S. Oil that go to the U.P., which will have to be rerouted. This time of year there are about 20 loaded trucks a week, while in the summer there are about 37. Chamber Director Herceg asked for information to distribute to his membership.

Regular City Council Meeting – November 22, 2016

Messages and Communications from Mayor Pro Tem and Council Members:

- **Barricades on W. Seymour Street (Great Lakes Tissue/Salvation Army)** - Councilman King inquired as to the barricades on W. Seymour Street. Chief Jones replied equipment is being loaded from the warehouse that was stored there from TherCom. City Manager Eustice added Schwartz Boiler requested the street closure to move the equipment (came from TherCom’s plant in Springfield, Missouri), which is going to China on several semi-trucks headed for the east coast and then by boat to China.
- **Street Lighting at Great Lakes Tissue** – Councilman King stated the streetlights are on but are very dim. Vehicles do not stop for the 7:00 a.m. shift change, although he does, and there is no lighting on the crosswalk. He then noted there are also no lights on the Great Lake Tissue building that are on.
- **City Attorney Contracts** – Mayor Bronson stated he sent an e-mail to City Manager Eustice concerning the City Attorney Contracts because they were renewed with the two current people, but were not bid out. City Manager Eustice commented the second extension was a one-year extension. Mayor Bronson stated it has been six years with the current attorneys not including the current year. It is due for rebidding and we should be getting something out for proposals. City Manager Eustice stated he will prepare Requests for Proposals for the next City Council meeting on December 13 that Council can act on, as the current Contracts expire January 31, 2017.
- **Light for Flag at Huron & Backus Streets** – Councilman Temple asked if the light was fixed for the flag at Huron & Backus Streets. City Manager Eustice replied yes.
- **Fall Clean-Up** – Councilman Temple inquired on continued fall clean-up. City Manager Eustice stated staff will try and get everything picked up.

Adjournment:

Councilman King moved to adjourn the meeting at 9:01 p.m.; supported by Councilwoman Kwiatkowski. 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