

REGULAR CITY COUNCIL MEETING
January 24, 2017

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

Absent: Lavender

Mayor Bronson led the Pledge of Allegiance to the Flag.

Mayor Bronson stated there is an addition to the Agenda, 7-D, Consideration to File an Approved Deficit Elimination Plan for the Port Property Fund for the Fiscal Year Ended June 30, 2016.

Approval of Agenda, and Receive and File all Communications:

Councilwoman Riddle moved to approve the Agenda with the addition of 7-D, as stated, and receive and file all communications; supported by Mayor Pro Tem Couture. Motion carried unanimously.

Approval of Prior Meeting Minutes of January 10, 2017:

Councilman King moved to approve the Regular City Council Meeting Minutes of January 10, 2017 as presented; supported by Councilwoman Kwiatkowski. Motion carried unanimously.

Department, Board and Commission Reports:

- **Department of Public Safety Statistics, December 2016** – *(Received and filed.)*

General Business:

- **Consideration of Proposals for Engineering Services for the ICE Grant (Huron Street Infrastructure Improvements)** – City Manager Eustice stated we sent out Requests for Qualifications for Engineering Services for the MEDC ICE Grant funding we received. We did put a Notice in the *Cheboygan Daily Tribune*, as well as mailing to nine engineering firms in Northern Michigan. We received only one full packet back, which was from Gourdie-Fraser of Traverse City. We also received a letter from U.P. Engineers stating their workload was too significant to respond. A couple others firms, Wade-Trim and C2AE requested more time, but because we met the requirements for the process, we denied the request for more time to submit. Our recommendation for engineering services for the ICE (Infrastructure Capacity Enhancement) Grant is Gourdie-Fraser. Mayor Bronson asked for an amount of the engineering services. City Manager Eustice replied we don't need an amount. Councilman King asked if this project is 89% funded by the ICE Grant and the remaining 11% (match) will be funded by the Water and Sewer Department. Councilwoman Riddle asked if there was not enough time for the other engineering companies to submit. City Manager Eustice stated a couple of the firms said they did not have enough time due to the Holidays, noting at least one firm was closed for a couple of weeks and found our Request for Qualifications when they came back. He informed Council Gourdie-Fraser did the City's Water Reliability Study, so they have already done some preliminary engineering on this project and he thinks many firms understood that.

Councilwoman Riddle moved to award the proposal for engineering services for the ICE Grant (Huron

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Street Infrastructure Improvements) to Gourdie-Fraser/Granger & Associates, Inc.

Mayor Pro Tem Couture asked the City Manager to explain doing this with no cap or cost. City Manager Eustice stated the engineering costs are typically 17% of the project, so the costs don't vary, adding it really is not necessary to approve with an amount. He noted he will bring a Contract back to Council.

supported by Councilwoman Kwiatkowski. A roll call vote was taken; motion carried unanimously.

▪ **Consideration of Opera House Management Agreement** – City Manager Eustice stated the Opera House Management Agreement expired in November 2016. City Attorney Stephen Lindsay redrafted the Agreement, noting the Opera House Board wanted the City to put in a specific amount that we would guarantee what we would provide for operations. Currently we provide \$21,000.00 annually to help with maintenance of the Opera House and for staff. We told the Opera House that we were not comfortable with any kind of an amount and would have to determine that from year to year and should not be tied to a five year contract. Some of the delay is that the Opera House did not have a Board meeting until January, at which time Vicky Pryzynski, Executive Director, took it to the Board and informed them the City would not agree to a specific amount year-to-year and the Board made a motion to take it out of the contract. City Manager Eustice then stated there are really no ties to any financial obligation in the contract, as it is just a management agreement. We will have to each budget year determine what we are going to offer to the Opera House in a financial capability. Mayor Bronson asked if the City Manager envisions somebody will come, make a presentation and a request in this amount. City Manager Eustice replied we budget for it, but thinks the best approach is for the Director of the Opera House to come and request an amount and the Council has the right to determine what that might be; depending on what the budget looks like it could be nothing or it could be more. City Manager Eustice stated he would be more comfortable tying it to operations of the Opera House. Mayor Pro Tem Couture asked if we should notify them that the correct way to get an allocation is to come to Council with a request at the same time of year they do their annual report. City Manager Eustice stated their fiscal operating year is different than the City's, but thinks we could have the Director make a presentation to Council in March or April, while we are still looking at next year's budget. Mayor Pro Tem Couture asked if it is the City Manager's recommendation to approve the Management Agreement as stated. City Manager Eustice replied yes.

Mayor Pro Tem Couture moved to approve the Opera House Management Agreement effective November 14, 2016 through November 13, 2021 as presented; supported by Councilman Temple. A roll call vote was taken; motion carried unanimously.

▪ **Consideration of 2016/2017 6-Month Budget Revision** - Clerk/Treasurer Kwiatkowski stated the only revision now is the replacement of the telephone system in City Hall, which goes under a capital outlay item. As far as the other line items in the budget, typically he does not do anything until the fourth quarter. The Department Heads know to say something if there is anything that's really significant, and one thing that comes to mind is the Sewer Fund and the repairs done on the lift stations causing overages in supplies and contracted services, and is sure we will run into more before the end of the Fiscal Year. If Council has anything in the Budget those numbers are six month numbers. If something comes up after the meeting during the week, just call him any time and he will go over things with them. Councilwoman Riddle asked if he is saying we do not need to do a motion on the 6-month Budget. Clerk/Treasurer Kwiatkowski stated this has always been done in the past and we got away from it when Mr. McNeil left. When Mr. McNeil was here every quarter the Council

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approved the Budget. Purchases would be added when they were approved by Council, but we have not had anything like that this year. He then asked for a motion to adopt the 6-month budget revision to amend it for the capital outlay for the telephone system. City Manager Eustice commented it is really a requirement by Charter.

Councilwoman Riddle moved to adopt the 6-Month Budget Revision with the inclusion of the telephone system for City Hall for the 2016/2017 Fiscal Year as presented; supported by Councilman King. A roll call vote was taken; motion carried unanimously.

▪ **Consideration to File an Approved Deficit Elimination Plan for the Port Property Fund for the Fiscal Year Ended June 30, 2016** – Clerk/Treasurer Kwiatkowski stated as a result of the Audit presented at the last meeting we have a deficit in the Port Fund in the amount of \$22,986.00 and he needs to file a Deficit Elimination Plan with the State Treasury, which has to be done fairly quickly or they withhold your revenue sharing funds. The Elimination Plan is quite simple. We have pending sales to Kokosing and Ryba and when those take place, it will eliminate the debt as far as what's on the City's books and at that point and time we will close out the Port Fund and any money left over will be transferred back to the General Fund. Councilman Temple asked how we are coming on the sales, as it seems like they are taking forever. City Manager Eustice stated both Ryba and Kokosing have the Purchase Agreements and would expect they will sign them within the week. He got an e-mail from Stan Neff at Kokosing just before this meeting and they have made some minor changes to the Purchase Agreement after review by their legal counsel and they have it in the hands of their local legal counsel, Dan Loznak, who is reviewing it. Once he approves it, they will sign it and get it back to us. Ryba is ready to sign, as well. There is only one issue with Ryba and that is they want to secure or retain two land divisions as only one was put into the Purchase Agreement. He noted there can be two available because neither one of these transactions will be land divisions because they are going to the same company and are line adjustments. He has not heard back from Attorney Joppich as to whether or not he is okay with that, but he thinks there are two eligible land divisions and does not see any reason why we can't put that in. We have a ten year deed restriction on both sales to Kokosing and Ryba that the property can only be used for Port related services. Mr. Zac Morrish of Ryba is looking out 15 years from now. If something doesn't happen in 10 or 12 years then he may have a different option in the future. Councilwoman Riddle asked what happens after the Purchase Agreements come back signed. City Manager Eustice replied there would have to be a Special Council Meeting, with all seven members required to be present, because it is three weeks before the next scheduled Council meeting on February 14, 2017. Councilwoman Riddle asked when Councilman Lavender is supposed to be back in town. City Manager Eustice replied by end of this week and will be available by Monday of next week. Councilman Temple asked when we sell these two pieces of property, are we going to be rid of our attorney. City Manager Eustice answered yes, soon after the sales transactions go through we can stop those legal services. Councilwoman Riddle inquire about the parcel of land on the east side of the River that the Conservancy is purchasing. City Manager Eustice stated the City has a Purchase Agreement drafted for that transaction, as well, at \$130,000.00 and that is probably going to be signed very quickly and we should be able to do approval of sales for all three at one Council meeting. Councilwoman Riddle asked if Attorney Joppich is also involved in the property on the east side. City Manager Eustice replied yes. Councilwoman Riddle then stated it would be nice to have closure on all of the properties. Mayor Pro Tem Couture stated one of the last correspondences Council had via e-mail was the Purchase Agreement and a question mark on the liability of the port operations. He does not know if the City Manager wants to touch on that now or talk about it later. City Manager Eustice stated he was going to bring it up in an e-mail, but he has spoken to Mayor Bronson on how e-mails are really public information so he may as well do it publicly. He went on to state he tried to clarify what Attorney Joppich's opinion is; we were

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trying to develop a Port Operations Agreement and he was very concerned about the liability of tying the City of Cheboygan to these two private entities and their operations for shipping and receiving. He and Mr. Zac Morrish talked about a different type of agreement that is more of port marketing agreement where we aren't part of their day to day activities and their business, but yet we can market them as port operators. Both Kokosing and Ryba have agreed to allow us to market their names and services as long as they give prior approval so if we go to a road show to a business that's interested in locating here, we will market them as the Port operators and entities that will provide the Port services and that they are in a competitive market. If we get a manufacturer that locates here, they know they can bid on providing those Port services. Some people have concerns about a guarantee of those Port services, but he thinks in partnering with these two entities that have the capabilities, equipment, licensing and regulatory requirements, and 10-year deed restrictions on these properties regarding port related activities, that is a guarantee. City Manager Eustice went on to state he thinks these are two solid companies that are in the business and is a positive effect as we go out and market the Port of Cheboygan and try and get a manufacturer here. These are two companies we need to partner with to develop the Port. Councilwoman Riddle asked what the Port Commission's opinion is on how things are progressing on the sale of the properties. City Manager Eustice stated the Commission's last recommendation was a port operations agreement and to sell the properties with some sort of port operations agreement. Mayor Pro Tem Couture stated is that not what the Council agreed and made a motion on. City Manager Eustice stated there was no motion made at the Council level. He then stated if Council is not comfortable with the recommendation of the Port Commission, Council can ask to go back to the Port Commission. Mayor Bronson commented that group has not met since December. City Manager Eustice stated there was a regular scheduled meeting in January but did not have a quorum. This is something to consider but will also slow it down. Mayor Pro Tem Couture stated that may be the case, but something else might slow it down. He stated there is a need for both the timeliness of the sale and to make sure it is done. He then asked City Manager Eustice if he had a recommendation for the Council tonight in that regard because we don't have purchase agreements or nothing yet. City Manager Eustice replied that is correct. Mayor Bronson stated we will have to come up with a different Deficit Elimination Plan if something changes. City Manager Eustice agreed.

Councilman King moved to approve the Deficit Elimination Plan for the Port Property Fund for the Fiscal Year Ended June 30, 2016; supported by Councilwoman Riddle. A roll call vote was taken; motion carried unanimously.

Public Comments:

County Commissioner Richard B. Sangster spoke of the meeting last week regarding the Meijer project, noting the City Manager did a fine job with no notes and was definitely on top of the game. He then stated his question for Council is if and when there is an opportunity to move forward are we prepared to support a 425 or Utility Service Agreement? There has been some question on the 425 for the ease and for the value to the City. He understands there is a meeting with Inverness Township tomorrow. City Manager Eustice replied tomorrow at 2:00 p.m. He then asked when, if any, was the last contact with Meijer's. City Manager Eustice answered from the City's perspective December 9 was the last contact; however, the Township has not had any contact since that time. County Commissioner Sangster then asked if they are comfortable with one of the agreements. City Manager Eustice stated he will address it under City Manager Comments.

City Clerk/Treasurer's Comments:

- **Wastewater Treatment Plant Update**– Clerk/Treasurer Kwiatkowski informed Council he has filed just shy of one million dollars' worth of claims with our insurance company and so far we have received a little over \$800,000.00. Right now we have about \$130,000.00 to \$150,000.00 worth of

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outstanding invoices and at this point and time he is putting pressure on our insurance company as it has been ten weeks since we have seen any money and we have some vendors that would like to be paid. He is copying everything to the City Attorney, DPW Director Karmol and Paul Olson, local insurance representative. Our insurance company wants to wrap this up pretty quick and we are not ready to do that. Councilwoman Riddle asked if we are still getting invoices. Clerk/Treasurer Kwiatkowski replied yes, we got one yesterday. Mayor Pro Tem Couture asked if the work is completed. DPW Director Karmol commented he does not call the work complete because the main building does most of our treatment and we have several secondary buildings that are not used 365 days a year, so their main effort was to get the main building functioning to where we could treat, which we do, but we haven't troubleshot every secondary process yet. The insurance company would like him to wrap it up before we can troubleshot the rest of the Plant, so what we are doing now is pushing them to allow us to troubleshot the rest of plant and ran into some difficulties because they did not want to pay us for our time that we were spending, so we had about a week delay when he was not allocating any of our labor to further the insurance work because they weren't going to reimburse us for it. We did a lot of effort to save the insurance company money only to find out they didn't want to pay us. Then the insurance company wanted to close the claim but he couldn't even continue without putting forth more effort. Now that we have gone past that impasse he hopes they will pay the bill he submitted because it is just time and material, at the rate he would charge the County. They did not use contractors' rates. Now he can progress forward with his labor and troubleshot the secondary processes. The insurance company is not as forgiving as they were at the beginning; they don't even want to pay what is obviously damaged now. He thinks they have exceeded some dollar amount in their mind and don't really want to pay out anymore. The last little bit will be tough to get them to finish up. He is questioning whether we should even make a concession of using used electrical equipment to feed our secondary building. The insurance company told him they would make it right and work when they were done and that is what he wants to hold them to. All the effort the City put forward already, he is hesitant to give them the same kind of effort after they refused to pay his bill. He thinks it will drag out because the insurance company does not want to pay for anything they have found going forward. They could not troubleshot everything because this is a mechanical monster. We are now having to start up processes we don't need just to troubleshot. The insurance company does not want to pay the electricity or his operators to do it, so he does not think it is over yet.

City Manager's Report:

- **Meijer's** – City Manager Eustice stated he would like to thank Commissioner Sangster for spearheading a County Commissioner's meeting last Thursday, which was very informational and thinks the County Commissioners appreciated their update and information as to where the progress is in our negotiation process. The County Commissioners can be helpful, but this is really between the Township and the City. At this point, we have two options: Utility Service Agreement (USA) that is basically ready to go and Inverness Township has it. The Township has made some edits and the City has made some minor things in the Agreement, with City Manager Eustice adding it is a workable Agreement. The other option, which should be on the table, is a 425 Agreement. The Inverness Township DDA Board (US 27 DDA) about one month ago recommended unanimously to go with a 425 Agreement because they have some major concerns that the Township can't deliver the end result, which is to get a waterline to that site. The Township Board is more confident with a 425 Agreement the City of Cheboygan can get water to that site. The City needs to prepare for that, because all along we have been told from the Township that they will not enter into a 425 Agreement, which is why we worked on a Utility Service Agreement for the last four months. Now, even the Township Board, is leaning towards a 425 Agreement and requires a 3 to 2 vote. City Manager Eustice then stated we are going to get tax revenue with a 425 Agreement, but it may not be enough depending on how much debt we have to take on. If Meijer's offers us the same funding agreement they offered the Township,

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which was to pay for only one-third of the project, the City would have to pay for two-thirds and would be taking on as much as \$400,000.00 in debt on that project and would only receive about \$57,000.00 annually in taxes to the General Fund. In the end Meijer's would basically give us a loan that we would have to pay back over time, and the turn-around might be too fast and the monies from tax revenues might not be enough to pay the debt back. We would also have to put that in front of Meijer's for options. Councilman Temple asked if we can check with Meijer's before we go in front of Inverness Township so we have an answer. City Manager Eustice replied we could and he can do that in the form of a letter to Mr. Chris Jones, noting he has been contemplating that for some time. He then stated Council got a letter accusing the City Manager of negotiating on behalf of the Township, so he has been reluctant to step in the way of Inverness Township because it's their decision. Mayor Pro Tem Couture stated the Township needs to make a decision and then it comes onto the City one way or the other. City Manager Eustice stated his concern with a USA is if the Township agrees they are not confident they can pay for anything. He thinks it might delay it even further and Meijer's might come back and say they worked with the Township and they don't seem to have the ability to get them water, so they are going to go back to the City and get a 425 Agreement. This is what the Inverness DDA is concerned about and they do not think the Township has the ability. DPW Director Karmol believes they do and would help them through the permit process to get the USA done, noting engineering would also be required.

County Commissioner Sangster asked if Council has chosen or approved to go with the Utility Service Agreement. City Manager replied no. County Commissioner Sangster stated a USA may put a delay into this when it comes back from Inverness Township because they are not sure they can deliver those services. Mayor Bronson commented he has seen a draft of the USA. County Commissioner Sangster stated the County has had discussions and has the ability to bond it to take the burden off the City, so there is an alternative available. He then asked if \$57,000.00 is the City's general return. City Manager Eustice replied yes. County Commissioner Sangster stated if the intent is to move things forward there are options to get it done and make it as painless to the City, as possible. Mayor Bronson stated they are hoping some decision is made on the USA, but if it comes back as a 425 Agreement who do we have to negotiate with - Meijer's or the Township? City Manager Eustice stated with a 425 Agreement we would negotiate with the Township. If Meijer's is going to fund the project, that would be a separate agreement. Mayor Bronson stated we would need to know this information as we are making a decision. He understands the City Manager is cautious in contacting Meijer's, but we need to know. Mayor Pro Tem Couture stated as long as the City Manager is acting in the best interest of the City, then the City Manager needs to do what he needs to do. Mayor Bronson reiterated we need to have that information whichever decision we make. Mayor Pro Tem Couture commented they talked about have a shovel-ready project, as these are both potential items that are going to be coming in front of the City and feel we should move forward as fast as possible. We should be proactive instead of reactive to the decision made by Inverness Township. He is still leaving it up to the City Manager's decision whether he does that or not. This is his opinion. Councilwoman Riddle stated she feels the County may help facilitate the process. County Commissioner Sangster replied only if asked, noting the meeting was only to basically bring everyone up to speed as he thinks there was a lot of misconception that the County has more power. His point was he thinks it's important to be prepared and time is of the essence. Councilwoman Riddle stated the City and Township are both within the County and are trying to get this together and the County is part of both. For anyone facilitating this, why it would not be the County he does not understand. County Commissioner Sangster stated it is just not the County's jurisdiction, which is his understanding and the County does not have that ability. He stated his concern with the USA was the County was the signatory on the sewer project originally, which was one of his concerns if anything got changed he wanted the County to be prepared and we are proactive and ready to go if we needed to

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be a signatory. He believes it is the County's hope to do anything they can to move this project forward. It is important that the Council have an understanding of what the other 425 may look like, as that is the only way for the City to move forward. The City needs to let Meijer's know they are prepared either way when the Township makes their approval and it is in the Township's control right now to make a decision to either go with one of the Agreements or not have Meijer's in the Township. Mayor Bronson stated he knows in casual conversations with Meijer's a 425 Agreement has been discussed. County Commissioner Sangster then asked the City Manager how many 425's does Meijer's currently have in their Company stores. City Manager Eustice replied 37 out of 110 in the State of Michigan. County Commissioner Sangster stated this is nothing new to Meijer's. The City has a professional in DPW Director Karmol to deliver those services, noting it is 2,600+ feet of water line. The City has the ability to get the job done when the go ahead is there. City Manager Eustice stated he was hoping the Township would make a decision one way or another more quickly than what they have because that was kind of the consensus of the Board meeting early in January that they wanted to come to a finalization. In fact they tried to vote on a 425 Agreement, but the motion fell through for lack of support. He noted there is a meeting tomorrow at 2:00 p.m. to finalize the USA. Mayor Bronson asked if DPW Director Karmol will attend in addition to Attorney Lindsay. City Manager Eustice replied yes, in addition to Inverness Township representatives Ron Neumann, Jean Beethem and Legal Counsel MacArthur. City Manager Eustice stated he will make contact with Mr. Chris Jones, noting he has asked the Township to let Mr. Jones know what position they are in at this point. Supervisor Neumann did send Mr. Jones an e-mail asking him if Meijer's was okay with a 425 Agreement, and Mr. Jones responded yes, absolutely. City Manager Eustice noted we need to get the 425 Agreement in our favor, so we don't take on additional debt.

- **State Street Bridge Maintenance** - City Manager Eustice reported the maintenance is on schedule and they plan on getting one lane open by February 14 for access to the east side across the Bridge. A couple businesses are really struggling at this point but there is not much we can do about that.
- **Lincoln & Main Traffic Light** – City Manager Eustice informed Council MDOT changed the traffic light sequence at Main and Lincoln. He told Council he sat there again this morning between 7:30 a.m. and 8:00 a.m. and there was a lot of traffic through the intersection. An inquiry was made regarding the gas trucks on “B” Street. City Manager Eustice stated they contacted US Oil and one particular company using “B” Street. Councilman Temple replied that is Blarney Castle. City Manager Eustice then informed Council we are getting larger signage to put up that says no truck traffic, which have been approved by MDOT.

Messages and Communications from Mayor Pro Tem and Council Members:

- **Investigation of Water into WWTP, Plant Repair & Insurance Claim and Snow Blower** – Councilman King inquired as to the City's investigation of the substantial flow into WWTP. DPW Director Karmol stated the slow melt has been very helpful, but the recent warmup has caused quite a bit of flow to the Plant. Not all of the equipment is functioning so we still have valves that would be automated to help them direct flow. It is all manually done and half of it has been taken apart and needs to be put back together. To give Council an idea, they made ½ million gallons of water and is pumping about 5 million gallons in the Plant, so it is about 10 times the amount of water produced that is being taken in at the Plant, which is a compromised Plant at that because they are still trying to piece it back together from the event. At least the Plant can take this early melt slowly so we don't have even more than we have now. The colder temperatures now have helped slow down the flow to the Plant. With the colder temperatures he does not think we will have extended periods of 5 million gallons of flow and the rest of the ground saturation will stop here shortly and we will be able to recover. He will be looking at spring to make sure those processes that he needs are back up and running at their normal April trial. Normally they will get some kind of melt in December, but now

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we have had just two weeks of melt. Councilman King commented on not having the freeze-ups that we had a couple of years ago. Councilwoman Riddle stated she hopes to get snow before really cold weather to prevent a lot of breaks in the system. DPW Director Karmol stated he can do other things he is not normally able to do, such as with the well houses he was able to extend the well run times. He was able to go in and change some things. Because of some of the equipment swap that they had, he has some new tools to help us with an old infrastructure and able to do things with an old infrastructure that were not available before. There is a lot of equipment he wouldn't have replaced in the wastewater upgrades, but unfortunately they were burned up in the incident and most of the things replaced by the insurance claim were items he was not going to upgrade. Even though they have done a lot of work there and he does have new options, none of those options were playing into our upgrade because we did have good electrical equipment before it was fried. He is trying to make lemons out of lemonade and now that he is given more options with the equipment that's replaced, he is able to do some things to help us with the whole infrastructure. Mayor Bronson asked if DPW Director Karmol is anticipating any run water orders. DPW Director Karmol replied not yet. He then stated he is prepared to answer questions about the new snow blower. Councilman Temple asked if he has prices. DPW Director Karmol replied yes, adding he has spent nearly 1 ½ weeks polling every facility that would return his calls, asking how their equipment works, would they purchase another one and what kind of equipment has broken down. He did this because he wanted to understand this new piece of equipment and how everybody else is doing it around us to get a better understanding who would have buyer's remorse. He lost about 1 ½ weeks getting all of the data to find out how to correctly make a recommendation to Council and not get into some purchase we might regret later. During that 1 ½ weeks we did have melting snow and he did watch people struggling to walk down near Great Lakes Tissue and did watch the school struggle to keep the sidewalk open. Also, Bishop helped us down on our end. He took in 18 quotes and narrowed it down to 2 that he wants to recommend because of his poll of the areas around us.

▪ **Budget Workshop** – Mayor Pro Tem Couture asked if we should schedule another Budget Workshop, stating he does not think he got everything he wanted to talk about and a few new things came up. Clerk/Treasurer Kwiatkowski stated on February 14 he will be on his way back from Florida and if he gets delayed he will not be here, noting the 28th is okay. The Budget Workshop was scheduled for February 28 at 5:00 p.m. Mayor Pro Tem Couture asked if they can look at other surrounding areas as to how they do agreements, such as baseball fields, soccer fields, etc. and how they address that. He then stated one thing he wanted to look at today, but there was not time for it, is clarification on salary. He does not need to see every person that works for the City, but it would be easier to see each position because he knows, for example, the DPW staff is paid out of different funds. Councilman King suggested a pie chart with totals. Another suggestion was to put line items under the City Clerk, City Manager, etc. as to where they get paid. Clerk/Treasurer Kwiatkowski replied he can do that, noting the ones that typically get split, and it's a percentage split, are the City Manager, himself and DPW Director Karmol. DPW and Wastewater, in any given payroll, can be under 6 or 7 different budgets. He can give the percentages as far as the three he mentioned.

▪ **E-Mail Ruling** - Mayor Bronson mentioned he talked to City Manager Eustice and read an article in the Michigan Municipal League on a ruling that e-mail between Council Members is public record and feels they all need to be aware of that. We need to see where that is saved if someone wants to see it, such as e-mail correspondence for 2016 on a flash drive. Councilman King stated it would be really helpful, which he is doing, i.e. councilmanking@cheboygan.org. Clerk/Treasurer Kwiatkowski asked if Council would be interested in an e-mail policy, as he is sure the League website would have templates. He will see what he can find. Mayor Pro Tem Couture stated he does not use a different e-mail and would like to, so he needs some help to set it up. Councilman Temple stated he would like a different e-mail because his e-mail got hacked. City Manager Eustice stated we should have an e-mail

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policy, noting the e-mails should be saved as he has polled the Council on various issues including information from our legal services. He thinks this is okay, but as Mayor Bronson says we should keep that information.

Excusing of Councilman Lavender:

Motion by Councilwoman Kwiatkowski supported by Councilman King to excuse Councilman Lavender. Motion carried unanimously.

Adjournment:

Mayor Pro Tem Couture moved to adjourn the meeting at 8:10 p.m.; supported by Councilman Temple. 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