

REGULAR CITY COUNCIL MEETING
April 11, 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: Couture, Lavender, Bronson and Temple

Absent: Kwiatkowski, Riddle and King

Mayor Pro Tem Couture led the Pledge of Allegiance to the Flag.

Councilman Lavender moved to excuse Councilwoman Kwiatkowski, Councilwoman Riddle, and Councilman King; supported by Councilman Temple. Motion carried unanimously.

Approval of Agenda, and Receive and File all Communications:

City Manager Eustice stated there is one addition to the Agenda, being item 7-C – Recommendation to Award the Reconstruction of State Street from the Trail to Main Street to Rieth-Riley Construction Company in the Amount of \$195,300.75. He added the City received only one bid and it came in much lower than anticipated.

Councilman Lavender moved to approve the Agenda with the addition of 7-C, Recommendation to Award the Reconstruction of State street from the trail to Main Street to Rieth-Riley Construction Company in the amount of \$195,300.75, and receive and file all communications; supported by Councilman Temple. Motion carried unanimously.

Approval of Prior Meeting Minutes:

Mayor Pro Tem Couture moved to approve the Regular City Council Meeting Minutes of March 28, 2017 as presented; supported by Councilman Lavender. Motion carried unanimously.

Bills and Disbursements:

▪ **Prepaid Bills and Disbursements for the Month of March 2017.**

Councilman Lavender moved to approve the prepaid bills and disbursements for the month of March 2017 in the amount of \$524,025.81; supported by Councilman Temple. A roll call vote was taken; motion carried unanimously.

Ms. Trudy Lofgren questioned the monthly Consumers Energy expense of \$75,000.00+. Clerk/Treasurer Kwiatkowski commented the average electric bill is between \$5,000.00 and \$8,000.00 at the Treatment Plant and because of the extensive damage from the event at the Treatment Plant in July the City did not get a bill for five months and Consumers sent a bill for a five-month

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period. Ms. Lofgren inquired in payment to GES Properties, LLC on the Port Property, asking why we are paying a debt service. City Manager Eustice replied this is the land contract payment for the purchase of the property, which will go away tomorrow.

▪ **Unpaid Bills and Disbursements for the Month of March 2017.**

Councilman Lavender moved to approve the unpaid bills and disbursements for the month of March 2017 in the amount of \$34,479.93; supported by Councilman Temple. A roll call vote was taken; motion carried unanimously.

General Business:

▪ **Consideration of Reappointment of James Mick and Alfred C. West to the Brownfield Redevelopment Authority Board, Terms to Expire April 13, 2020** - Mayor Bronson asked if this Board meets as needed. City Manager Eustice replied basically, once or twice a year. They will meet annually and will also meet if there are projects. Mayor Pro Tem Couture asked if there are any brownfield projects coming up. City Manager Eustice replied nothing at this point, adding the brownfield legislation is changing and there is pending legislation which he feels is very favorable to more brownfield developments happening. He went on to state we have, fortunately or unfortunately, a lot of potential brownfield properties in the City of Cheboygan. The Brownfield Program is very favorable to the City of Cheboygan. Mayor Pro Tem Couture asked if both members are willing to be reappointment and City Manager Eustice replied yes.

Mayor Pro Tem Couture moved to reappoint James Mick and Alfred C. West to the Brownfield Redevelopment Authority Board, terms to expire April 13, 2020; supported by Councilman Temple. Motion carried.

▪ **Consideration to Place 6-Month Delinquent Water/Sewer Utility Bills as Liens on the 2017 Summer Tax Roll**

Councilman Lavender moved to approve the placing of 6-month delinquent water/sewer utility bills on the 2017 Summer Tax Roll and direct the City Assessor to spread these amounts against the properties; supported by Mayor Pro Tem Couture. A roll call vote was taken; motion carried unanimously.

▪ **Consideration to Award the Reconstruction of State Street from the Trail to Main Street to Rieth-Riley Construction Company in the Amount of \$195,300.75** - City Manager Eustice stated the City solicited bids for the project and bidders were required to attend a pre-bid meeting, which Payne & Dolan did not attend; Rieth-Riley was the only bidder to attend and only company to bid. The recommendation is to award the bid to Rieth-Riley Construction. Councilman Temple asked when the project will start. City Manager Eustice replied the contract is to start May 30. At the present time, he, City Engineer Granger and Rieth-Riley are looking at how to tie it into the Huron Street project, so it is possible it may start later. Mayor Pro Tem Couture asked if the City is going to try and get it done at the same time. City Manager Eustice replied yes, noting it would be nice to get to the intersection of Huron and State at the same time. The State Street project will take a lot less time and they would be at the intersection before the Huron Street project, so it might make sense to back up the State Street project a little as it would make sense both economically and functional wise to do it together.

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Mayor Pro Tem Couture moved to award the reconstruction of State Street from the trail to Main Street to Rieth-Riley Construction Company in the amount of \$195,300.75; supported by Councilman Lavender. A roll call vote was taken; motion carried unanimously.

Public Comments: [None]

City Clerk's and Treasurer's Comments:

- **Budget Report as of March 31, 2017** - Clerk/Treasurer Kwiatkowski commented Council has a copy of the project 2017/2018 Budget, noting the wish lists from the Department Heads have not been put into the Budget. He can put those in the appropriate Departments and then Council can see the affect they are going to have on fund balances at the end of the fiscal year. If Council does not wish this, then the requests can be dealt with as they come up during the fiscal year. Mayor Bronson stated he does not think we want these placed in the Budget, as it would not be accurate, but it would be nice to see them as an addendum page. Clerk/Treasurer Kwiatkowski stated he will put something together for the next budget meeting. Mayor Pro Tem Couture asked if Council needs to take action tonight. Clerk/Treasurer Kwiatkowski replied no, there will be a public hearing in June.

City Manager's Report:

- **State Street Bridge** - City Manager Eustice reported the State Street Bridge is nearing completion. There are a couple minor issues left to address and painting when it gets warmer on the underside of the Bridge. The operation of the Bridge is in place and is workable. All the mechanical type maintenance is completed. He does not foresee any more closures of the bridge. City Manager Eustice stated he believes Plaunt is about ready to start. Comments were made that Mr. Plaunt is already running.
- **City of Cheboygan Website** - City Manager Eustice reported the City had contracted with Revize Corporation of Troy, Michigan to re-do the City's website, but he administratively decided to cancel that contract and we are going to go with our current website host, Matt Ginop of MCC Development, Inc. He will be doing some upgrades to the site and less costly than Revize. It has been almost two years since we contracted with Revize and we are not happy with the results. Mr. Ginop previously was not able to provide certain capabilities, but he has more technologies and technical capabilities. Mayor Bronson stated he feels the City has been more than patient with Revize.
- **Meijer's** – City Manager Eustice commented we have formed a Committee with the City and there was a conference call on March 16 with Chris Jones at Meijer's. The City basically has a 425 Agreement with the Township for at least two of the parcels that Meijer's owns, we proposed to Mr. Jones that we would like Meijer's to pay for the project; not just fund it and have to pay back some of it. We asked that Meijer's pay for the entire line buildout to the site. Mr. Jones took it under advisement and said he would like a couple of weeks to talk to the Board of Meijer's to make the determination if they would pay for the waterline buildout. Two weeks was on March 30 and City Manager Eustice tried to contact Mr. Jones, but there has been no response as of today, and he has made multiple contacts to Meijer's, through e-mail and voicemail. We are waiting for Meijer's to make a decision, as it will make a difference as to how we approach the water buildout. Mayor Bronson asked if we have the other documents prepared. City Manager Eustice replied yes, noting Inverness Township has not seen the documents and we are not going to present them to the Township and try and negotiate until we know whether or not Meijer's is going to pay for it, as this could change

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how we approach the 425 Agreements. The City will continue to push to get the water buildout done and will move forward very quickly if Meijer's comes back and says they will pay for it. Mayor Bronson inquired as to the Committee meeting again. City Manager Eustice replied he feels the Committee needs to meet and look at the 425 Agreements to make sure everybody is okay. Mayor Pro Tem Couture suggested scheduling the meeting, since all the Committee members are present. A meeting was scheduled for Tuesday, April 18, 2017 at 10:00 a.m., as the City Manager is unable to meet this week.

Messages and Communications from Mayor Pro Tem and Council Members:

- **Strategic Planning Meeting** – Mayor Pro Tem Couture stated the next budget discussion has been scheduled, asking if they need to start looking at a strategic planning meeting. City Manager Eustice replied sure. Mayor Pro Tem Couture stated he thinks it is important to have the Planning Commission at the meeting. He stated it would be almost like an organizational meeting, to talk about what we need to discuss so the City Manager can gather the information. Mayor Bronson stated if we are going to have a facilitator for strategic planning, then we need to ascertain his/her schedule. Mayor Pro Tem Couture stated we could have a preliminary meeting and then plan to have the next meeting facilitated. He feels we need to get the ball rolling and get some ideas. Mayor Bronson stated he will send meeting scheduling software to the City Manager. Someone mentioned doodle.com. Mayor Pro Tem Couture asked if the Planning Commission meets regularly. City Manager Eustice replied yes, noting they meet next Monday night, April 17. Mayor Pro Tem Couture asked the City Manager to see if the Planning Commission is willing to meet and get a time that would work. City Manager Eustice stated we may not be able to get all the Planning Commission members, but hopefully we can get a quorum. He then asked Mayor Pro Tem Couture about a day time meeting. Mayor Pro Tem Couture replied yes, a day time meeting beginning at 9:00 a.m. to noon, at least for the first meeting. Councilman Lavender stated if a facilitator is involved he/she will set the schedule. Mayor Pro Tem Couture stated we can also do an idea find as to what should be some of the goals and strategic plans for the City, then they can be placed on a list and prioritized.

- **Cheboygan Yacht Club** – City Manager Eustice stated there has been discussion about the Yacht Club wanting to lease property in Major City Park. He and also Mayor Bronson had meetings with Mr. David Butts, Commodore of the Club, and he suggested to meet with Planning Commission members (committee from the Commission) to look at options in the City. They want to build a clubhouse in the City of Cheboygan and he thinks we would love to have the Yacht Club in the City limits of the City of Cheboygan. The location they want to build on in Major City Park might not work; there's been some negative feedback in that regard. He and Recreation Director Hancock went and looked at the location in Major City Park, noting the Yacht Club is asking for 2 ½ to 3 acres and he does not see where they would even need an acre. There are also wetlands in that area. City Manager Eustice went on to state that an option for the Major City Park site would be having the Yacht Club put in public restrooms, with the City maintaining them and they would be open as the other public restrooms are in the City. He then stated he will form the committee of the Planning Commission and Mr. Butts has given him dates he and some Club board members are available. City Manager Eustice then commented he and Mayor Bronson talked about a piece down on First Street, which is about 2.2 acres as a possibility for a Yacht Club location. All options will be discussed with the committee to be formed. The Yacht Club wants to do it the right way and be good partners with the City and is a 501C(4) non-profit organization. They are not necessarily a service club but are along the same lines. City Manager stated the Club wants to be in the City and near water, not

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necessarily on the water. This could also be part of the strategic planning, as well. Our parks and recreation are in dire need of strategic planning and upgrades.

▪ **Port Property Closings** – City Manager Eustice reported we are closing tomorrow with Kokosing at 10:00 a.m. and at 3:00 p.m. we are closing with Morrish Marine, LLC (Ryba Marine). Ryba will own the property south of Lake Street and Kokosing will own the property north of Lake Street. The City of Cheboygan will pay off the land contract tomorrow, \$417,000.00 and there will then be no debt against the property. We will then close with Little Traverse Conservancy on the parcel on the east side on April 20 at 10:00 a.m. and those monies will go back into the General Fund. This is not the end, it is just the start of how we are going to develop and shipping and receiving port with the help of Kokosing and Ryba. City Manager Eustice then commented everything is in place and he does not anticipate any issues tomorrow and thinks it will be a big day for the City of Cheboygan.

Messages and Communications from Mayor and City Council Members:

▪ **Cheboygan Armory** – Mayor Bronson stated the bid for the purchase of the Armory was pulled, asking the City Manager if the State has been contacted. City Manager Eustice replied he has not talked to Lansing but certainly can talk to them to see how they are going to approach it from here on out. Mayor Bronson stated if they don't fix the problems, then it will never be sold. Mayor Pro Tem Couture commented on it being a brownfield and we don't want it to sit vacant for too long.

▪ **Historical Walk through Pinehill Cemetery** - Clerk/Treasurer Kwiatkowski informed Council he received a call from Mindy Jewell today and the Historical Society wants to have an historical walk through Pinehill Cemetery. He has tentatively approved it, noting some of our founding fathers are out there, as well as Civil War Veterans.

Adjournment:

Councilman Temple moved to adjourn the meeting at 8:42 p.m.; supported by Councilman Lavender. 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