

**REGULAR CITY COUNCIL MEETING**  
**April 25, 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: King, Kwiatkowski, Riddle and Bronson

Absent: Lavender, Temple and Couture

Councilwoman Kwiatkowski led the Pledge of Allegiance to the Flag.

Councilman King moved to excuse Mayor Pro Tem Couture, Councilman Temple and Councilman Lavender; supported by Councilwoman Kwiatkowski. 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 6-B: Downtown Development Authority Board Recommendation that the DDA Boundaries be Expanded to Include the Triangle Block Area that Includes the Carnegie Library (bound by Huron Street, Elm Street, Dresser Street and Division Street). He added there are four parcels in that block and the key is to include the Carnegie Library in the District. We need to make a motion to set a public hearing for May 23, 2017 to address the expansion of the DDA boundaries to include those four parcels. City Manager Eustice then explained this would be the first of two public hearings that we will have to have. Tonight we need a motion to schedule the first public hearing for May 23, 2017.

Councilwoman Kwiatkowski moved to approve the Agenda with the addition of 6-B, Consideration to Schedule a Public Hearing for May 23, 2017 for consideration of adding to the DDA District the triangle block area that includes the Carnegie Library (bound by Huron Street, Elm Street, Dresser Street and Division Street), and receive and file all communications; supported by Councilman King. Motion carried unanimously.

**Approval of Prior Meeting Minutes:**

Councilwoman Kwiatkowski moved to approve the Regular City Council Meeting Minutes of April 11, 2017 as presented; supported by Councilman King. Motion carried unanimously.

**Reading of Ordinances:**

▪ **First Reading – An Ordinance to Amend Section 90.01 of Chapter 90, Animals Prohibited, of the City Code of Ordinances, to Allow 2 to 6 Hens [Chickens] in a R-1 [One-Family Residential District]** - City Manager Eustice stated there have been multiple discussions with the Planning Commission and the Commission has recommended an Ordinance amendment to include allowing chickens with multiple conditions. Council received a copy of the first draft of the amendment to Section 90.01, Animals Prohibited. City Attorney Stephen Lindsay has reviewed that Ordinance and has made multiple suggested changes, which the Council received tonight. If the Council has any additional comments or changes those can be addressed tonight. We will then need a motion to set a public hearing for May 9, 2017 for consideration of adopting the Ordinance amendment. City Manager Eustice then read the Ordinance amendment draft from City Attorney Lindsay.

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Councilwoman Kwiatkowski asked who will be doing the unannounced inspections. DPS Director Jones replied his department will. Mayor Bronson asked if the permit can be anytime during the year. Director Jones commented the permit will be issued on a calendar year, January 1 through December 31, under the licensing section and will contain a license number for the use of his officers. He noted that inspection of the coop will be conducted so the same is not built out of pallets, pressboard, etc. The license will be similar to that issued for a dog and the property owner would have a license to show with the license number on it. Councilman King asked if the structure needs to be completed before a permit is issued, or if only a sketch is needed. Director Jones replied the sketch will be required to get the license and the inspection would be done once the structure is completed. Councilwoman Riddle asked if one would apply for the license, build the coop and then get the final okay before they get chickens. Director Jones and City Manager Eustice replied yes. Director Jones explained if somebody comes in with a diagram/sketch and need to buy their chicks before the end of the week, they would keep the chicks in their garage until the coop and run are constructed. This will be followed up with a final inspection and the important part of the diagram/sketch and the materials to be used so they we make sure they are going to build it with similar like conditions in the neighborhood.

Councilwoman Riddle moved to schedule a public hearing for May 9, 2017 for consideration of adopting an Ordinance to amend Section 90.01, Chapter 90, Animals, of the City Code of Ordinances to allow 2 to 6 hens (chickens) in an R-1, One-Family Residential District; supported by Councilwoman Kwiatkowski.

Mayor Bronson asked if we are only scheduling a hearing and at that hearing we will reviewing final language. City Manager Eustice stated we should have final language between now and the hearing. Mayor Bronson commented people will need to be able to come in and get a copy of that final language. He has several things marked and will get those to the City Manager. City Manager Eustice stated any changes, etc. will be reviewed with City Attorney Lindsay. Mayor Bronson then asked for comments from the audience.

Mr. James Conboy suggested that no permit be issued until the structure is completed, wondering how many times the Chief has gone out on a blight call and were told they would fix it up and how many times did he have to go back. How many times will there be a promise that they will build it according to the sketch? He reiterated that the structure be completed before a permit issued. He then asked about a minimum of 2 chickens, as opposed to 1. Mayor Bronson replied they won't sell just one because chickens are social. The people that raise them recommend that you get 4 to 6 because if there is loss than they are still not left alone. Mr. Conboy again reiterated he would encourage Council not to let someone have chickens until the structure is approved. An audience member commented she would recommend to change the 2 chickens to 1 chicken because you may have multiple situations where someone gives someone a chicken and they are going to raise only one chicken. There will still be situations where there would only be one chicken. Mayor Bronson said he sees her point, as he was looking at it from a purchasing standpoint as Tractor Supply will not sell less than 6. The audience member stated people do sell or give away their full-grown or 6-month old laying hens.

A roll call vote was taken; motion carried unanimously.

▪ **Consideration to Schedule a Public Hearing to Expand the Downtown Development Authority District** – City Manager Eustice stated the Downtown Development Authority Board has made a

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recommendation to expand the boundaries of the DDA District to include a small triangle block area between Elm & Division and Huron & Dresser Streets, which includes four parcels. A motion is needed to set the first public hearing, as two public hearings are required. Councilwoman Kwiatkowski asked City Manager Eustice what his recommendation is. City Manager Eustice replied he kind of directed the DDA to include the small triangle block in the DDA. As he investigated it, there is not a significant impact on the financial side of it. He thinks the key is we are including the Carnegie Library in the DDA District and it does look good to the MEDC, USDA and Federal agencies and it does help if the owner writes grants to try and rehabilitate that facility. Councilwoman Riddle stated the parcels include the Carnegie Library, a residence next to that with a storage structure, another residence and then the City's public parking lot. Councilwoman Riddle asked if any of the residential locations been given a chance for feedback on their thoughts. City Manager Eustice replied not publicly, in any type of meeting. He stated the owner of the Carnegie is also interested in purchasing the adjacent parcel and the current owner is in favor of being in the DDA. They have not inquired of the other residential property owner. Mayor Bronson commented the property owners will be notified for the public hearing. Councilwoman Riddle suggested sooner rather than later. City Manager Eustice then stated the first public hearing will be scheduled for May 23, 2017. Councilwoman Kwiatkowski asked if there is any significance for the residences if they are in the DDA District. City Manager Eustice replied no, other than they would be eligible to be on the DDA Board. He noted there is no tax implication, adding the DDA will capture improvements going forward. Mayor Bronson stated there was discussion as to whether there should be additional expansion beyond that to Court Street, but it was decided not to pursue that. City Manager Eustice noted the DDA Districts ends at Nelson Street. He then explained when First Federal built at the corner of Court and Main Streets they wanted to be in the DDA District, but it did not make sense. There were no public comments.

Councilwoman Riddle moved to schedule a public hearing for May 23, 2017 for the purposes of the expansion of the boundaries of the DDA District; supported by Councilman King. A roll call vote was taken; motion carried unanimously.

### **Department, Boards and Commission Reports:**

- **Department of Public Safety Monthly Statistics – March 2017** – Received and filed.
- **Planning Commission Meeting – April 17, 2017** – City Manager Eustice stated there was a lot of discussion on the chicken ordinance at the Planning Commission. The other issue is the Zoning Ordinance. Mr. Dick Carlisle, who amended our Zoning Ordinance, now has all the edits and is reviewing the same. He and Planning Commissioner James Granger will meet with Mr. Carlisle within 30 to 45 days. There will then be a public hearing to address the new Zoning Ordinance. There are not a lot of changes to be made and most of the changes are minor. Councilwoman Riddle asked when Council will receive a copy. City Manager Eustice replied within 30 days, sometime in May. Councilwoman Riddle then asked if the new Ordinance, including the Sign Ordinance rewrite, would go into the current Ordinance binder. City Manager Eustice replied yes. Mayor Bronson commented the next project will then be the Master Plan. City Manager Eustice said the current re-write of the Master Plan is now over two years dated and the Planning Commission will work on that.

### **Public Comments:**

- Mr. Ray Lofgren addressed Council stating he is sure Council is aware of it, but he does not know how long it has been since he has seen a whole board. Absenteeism happens once in a while, but it

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seems like there is an awful lot of vacant members and he notices it. He went on to mention ordinances and talking about chickens and blight and rentals. Driving around town in his area there are new people and it is also springtime and things get carried away a little bit, but thinks the zoning and ordinances should be enforced, i.e. residential area or commercial area. We are spending an awful lot of time talking about chickens, including the Planning Commission and City Attorney, while there are a lot of ordinances on the books not being addressed. Mr. Lofgren then commented it seems like there are an awful lot of important things we could be doing and Meijer's is one of them, noting he has not addressed this with the City Manager but we can't afford to build a water system. Somebody should tell Meijer's if they give the money, we will build it. We don't want letters to the editor saying we are not doing our job and that is what's happening. City Manager Eustice stated he will be addressing this in his report.

- Ms. Sherry Nelson introduced herself, stating she would like to update Council a little bit on the Michigan Main Street Program and the Bring It Cheboygan Group that she represents. They now have 105 volunteers and members who are all working for the betterment of the City. Everybody wants to be proud of their downtown area. Six were in attendance at the training session for the Michigan Main Street Program last week in Milan. They are all working together and are on the same page, and there are some things they want to move ahead and do. She stated she wanted to give an overview of what they have learned, noting there will be questions from different committee people that need some answers from Council about trails, festivals, public art and events. She presented the Council with her Michigan Main Street Training Notes, stating they were in beautiful Milan outside of Ann Arbor and the town is so much like Cheboygan it is remarkable. They started in the program a little more than a year ago and their buildings and streetscape started out looking very much like our buildings, showing photos of the before and now of downtown Milan. Ms. Nelson went on to state the Milan buildings did not have a unified appearance before, and there is not a building that has peeling paint in the four block area of downtown Milan. It was stunning. These are all things that we can do in Cheboygan, but it's not easy. She then reviewed the basic four components of the Michigan Main Street Program: Design, Economic Restructuring, Promotion and Organization. She commented the encouragement of investment in public and private partnerships, which has to be something that everybody is aware of and it involves the service organizations, business owners up and down Main Street, volunteers, and the schools. The Bring It Cheboygan Group can go out and talk to some of those mentioned and tell them a little bit about the Michigan Main Street Program because it will take a lot of work to get everybody on board and invested in the desire for change. There is a wonderful aspect in downtown Cheboygan and many great and wonderful things, but there are some things that need help and fixing up that we can do. The changes must affect the whole downtown area (DDA area) and has to be incremental and go in stages. It is not going to happen overnight and has to be self-help and done all together. The State of Michigan is not going to give us a lot of money; they may invest as we get down the road, but it is something we have to do and has to be built on public and private partnerships. We need to loosen some money from somewhere to start effecting this changes. Ms. Nelson went on to state we have to start capitalizing on our existing assets and promote the things that are working well and make sure people know about them. We also have to recognize that change is required and need to get everybody on board with change. There are people they talk to all the time that say they love Cheboygan just the way it is, but most people don't. Ms. Nelson then stated we have to implement things and make them happen. She noted they have many things they have been working on as their group has expanded. Mrs. Bobbie Crongeyer would like to address trails, Mrs. Joanne Cromley will ask about Public Art and Mrs. Linda Rogers is going to discuss events.

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City Manager Eustice thanked Ms. Nelson for summarizing the Michigan Main Street Program training session, adding it was a very good first training they attended. He commented we are at the Associate Level and our goal is to, at some point, get to the Select Level, noting we are two years away from that level as we looked at the needs we have and what we need to do to get to that level. It is not something that we are going to jump into anytime soon, as there is a lot of work we need to do to make a presentation to the MEDC before we get to the Select Level. There are three more training sessions this year and we are sending multiple groups of people from the DDA, Planning Commission and Bring It Cheboygan. We are partnering with these volunteers because the Michigan Main Street Program and the MEDC says that for this Program to work it's got to be through volunteers, business owners and people in the City, because we cannot do it ourselves. It is really a DDA program but it's not something the City Council, staff and management have to implement themselves. We have to have multiple diversity and groups of people that are going to help us with this program.

Mayor Bronson then asked Ms. Nelson if the Bring It Cheboygan Group has regular meetings and if notices could be sent to the City Council and himself. Ms. Nelson replied yes, noting the City Manager receives them and they could also publish them in the newspaper's local notes. The meetings are open to everybody. Mayor Bronson stated he thinks it would be helpful if somebody from Council is in attendance at the meetings. Ms. Cromley stated the next meeting is Monday, May 1 at 9:00 a.m. at the Gildner Gallery.

- Mrs. Bobbie Crongeyer stated a great asset Cheboygan has in the whole County are the trails. She stated on March 4 and 5 a group went and volunteered at Black Mountain for the Nordic Ski Races and what a fabulous event that is. People come from Lower Michigan, out-of-state and Canada. She talked with Denny Paull and he thinks between the two days there were 80 skiers and it could easily be a much bigger event if it was promoted better. She and Mrs. Cromley will be working on that with Mr. Paull to promote it. They are going to see if they can get some businesses downtown to offer maybe restaurant and hotel packages for the skiers and the ski club can then get that out so people will know where to stay. She noted with the restaurants in town and the Brewery maybe they can get something hopping for that weekend for entertainment for these skiers; they were a fun bunch of people.

Mrs. Crongeyer then informed Council they began going to the County Trails Forum that is once a month. It is an interesting group and talk about all the different trails. Mr. Dave Stempky from the DNR is a great resource for land and water trails, and Mr. Jim Conboy with the bike trails. In those discussions we talked about getting bikers on the trail to come downtown and to get a bike fix-it station on the trail and one at Festival Square. Two members of the Bring It Cheboygan Group donated money to the City to buy a fix-it station, but they need to know what the timeline is for the sharrows to be painted on the two roads that have been designated and the signage to direct people downtown from the trailhead. They want to start promoting that. City Manager Eustice stated the sharrows will be done in the next couple weeks, once we can get the street sweeper out and the streets cleaned. The City also ordered signs for the bike lanes and they should be here within the next couple of weeks. Mrs. Crongeyer stated she has been hearing there is some kind of directional signs that had been ordered in the past, wondering if they are not usable anymore. City Manager Eustice explained we do have those, as well, and had a plan to put them up but then the DNR said we could not put them up in their right-of-way, so we have to relocate where they are going to go. City Manager Eustice then asked Mr. Conboy if MDOT has directional signs now. Mr. Conboy replied they do, but the signs the City Manager is talking about were the signs to be put on the trail but then the DNR said you could not do it because they don't arch back. We talked about then putting them in the road right-of-way near

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the intersections, which he think will work well. Mr. Conboy stated they are talking about the whole trail town implementation that the Trails Council funded and provided. Mayor Bronson asked if we have the template for painting the sharrows. City Manager Eustice stated it has been ordered but it is not here yet. Mrs. Crongeyer asked again if the fix-it station for bikes has been ordered. City Manager Eustice stated he does not know if Mrs. Guenther ordered it yet, stating she talked to Mr. Conboy on where to locate it. Mr. Conboy stated they talked about Festival Square, which seems to be the ideal spot. Ms. Guenther let him know that Mrs. Crongeyer and another member had provided for the fix-it station. He is not aware if Ms. Guenther has ordered it yet. The DNR is going to be ordering one for the trailhead. Mr. Conboy explained that the station has an air pump with bike tools attached to it and it is really a nice feature. City Manager Eustice commented the only issue with Festival Square is there are bushes all along the back wall and no cement. It has to be mounted to a wall. He will ask Ms. Guenther if she has ordered it. Mrs. Crongeyer stated this week she and Mrs. Cromley went to the Cheboygan Waterways Commission at the County Building and talked to them about having a bike rack and courtesy bikes at the Marina and they are really interested in that. Of course, that led to developing a nice bike route from the Marina to downtown. She asked the City Council for permission to investigate this and come up with some kind of a bike route from the Marina to downtown. City Manager Eustice replied we can coordinate that when they have some ideas. The Waterways Commission thought it would help the Marina and downtown.

- Mrs. Joann Cromley passed out samples of bike art, stating Bring It Cheboygan is embarking on having a series of public art bike racks and planters in the downtown area and they will be commissioned sculptures from local artists. This will not cost the City anything and the project will be supported by Bring It Cheboygan. It will be supporting the bike trails and it will be funded by members of Bring It, local businesses and other interested people in supporting public art. They would like the City Council's permission to proceed with this endeavor in terms of where to place them, although they don't know how many there will be, and will be asking local artists to step up and do some public art. Mrs. Cromley explained they will be bike racks for people to park their bikes. Councilwoman Riddle asked who will determine their locations. Mayor Bronson stated he feels the Chief needs to be consulted and City crew members need to put them in place. He added that maybe MDOT might have some input on that, too, since Main Street is a State highway. City Manager Eustice asked Mrs. Cromley if their intention is to be mainly downtown with the bike racks. Mr. Conboy was asked for his opinion. Mr. Conboy stated he has seen this in other towns and thinks it's a great idea and really appreciates them coming forward with it, but the bike racks we have now are movable and are moved around, but this would really add another dimension all together. He would think near restaurants, down by the water, and places where people would want to bike to and lock them. You need to come up with a number of the bike art and he could work with the Chief and others and locate them. Mayor Bronson stated he is thinking of the ice cream parlor and Dairy Queen. Mr. Conboy commented it is inviting when you see bike racks and these kinds of public art; people know they are welcome there. It really sends a good message. Mayor Bronson stated this project can go ahead, but they need to figure out the details.

- Mrs. Linda Rogers introduced herself, stating she is going to talk about the Bring It efforts in the Fall Festival and a couple of comments on other events. In their packet, Council has the Fall Fest sponsorship information. There was approval previously from the DDA to begin planning the Fall Fest which is going to showcase agriculture, music, lighthouse tours, and a downtown polka dance. They are looking to bring in the community to an event and have already raised several thousand dollars through Mrs. Sharen Lange and the sponsorship packets. Pumpkin seeds packet were distributed Saturday with the date of the Fall Fest to build an awareness of the Festival. Mrs. Rogers

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asked Council if the DDA does their own thing or do they have to come to Council, noting she has looked at some of the things that have gone on such as the Music Festival. She went on to state she has not seen the financials, but has heard they lost money. She is wondering why we keep doing the same things if they are losing money. Another thing, there is going to be a ladies shopping night in town. Where are they going to shop? It seems to her we would be better off waiting until there are some places to shop. The Group is working on this and they will turn it around. Mrs. Rogers explained these are some observations the Group has made and it seems we are doing the same old things. She then commented on the Christmas Holiday and requiring people to come to town on three different days. Why not have an event with a day that starts out with shopping and ends with the parade and tree lighting; everybody would be in town all at the same time. She asked if the proper channel would be to go to the DDA if they would like to see change. City Manager Eustice informed Mrs. Rogers the DDA has a Steering Committee and most of the events are organized out of that Committee, noting it does have to have approval from the full DDA Board. The City Council does not have to rubber stamp what the DDA does. He then noted the DDA has their own budget. Mrs. Rogers commented so if a DDA event loses money, it comes from the DDA and not the City. City Manager Eustice responded that is correct. He added the Music Festival for a couple years did lose some monies, but the intent of the DDA and the Music Festival is to bring people downtown to support the business owners that pay the taxes for downtown. We have 2,000 people that come downtown during the Music Festival. Surely some of the stores are not open, but our restaurants are and the idea is to get people here to see what is in our downtown. The DDA doesn't look at it as losing money; they look at it as a promotional type thing for the future. There are many people that come downtown for the Music Festival that have never seen Cheboygan before; that's the idea behind it. It's a marketing tool and we are not trying to make money on it. Mayor Bronson stated we would not be opposed to that either and maybe there are volunteers that want to make that more substantial. He also stated the last two years they have not lost money, noting every year the DDA has the discussion on continuing the Music Festival. Mrs. Rogers stated they are hoping the Fall Fest is going to be the first of many good festivals, starting out kind of slow and building on with more activities each year. Councilman King asked about the Chamber involvement for the Fall Festival. Mrs. Rogers stated the Visitors Bureau is one of their biggest sponsors and are well aware of the event and very supportive. They have a strong committee that meets monthly and a timeline.

Mrs. Crongeyer stated she is still confused on the DDA versus the City Council. She asked if the things Mrs. Cromley and she are working on with the trails needs to be presented to the DDA or just to Council. Mayor Bronson explained they are dealing with both, pointing out the DDA is on Main Street and so events or whatever takes place on Main Street the DDA manages. Mayor Bronson stated once you get away from Main Street it is "City". Mrs. Crongeyer asked if the County Marina and the stretch to Gordon Turner Park is DDA. City Manager Eustice replied yes. Councilwoman Kwiatkowski suggested giving Mrs. Crongeyer a map of the DDA District. Mrs. Crongeyer asked how far south the DDA District goes. Mayor Bronson replied Nelson Street. Mrs. Crongeyer then stated they could put bike racks further south than Nelson Street. Mayor Bronson responded sure. Mrs. Crongeyer inquired about the boat launch at the Lincoln Avenue Bridge. City Manager Eustice replied it is owned by the State of Michigan and managed by the DNR. The City Marina/docks are at Washington Park and the Water Street parking lot.

Mayor Bronson thanked the Bring It Cheboygan Group for their time, as he knows they spend a lot of time volunteering which is great to see.

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- Mr. Bill Forne introduced himself stating he is here because a week from tonight Inverness Township is going to have a meeting. City Manager Eustice stated he will be addressing the Meijer's issue under City Manager Comments.

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

### **City Manager's Report:**

- **Meijer's** – City Manager Eustice reported we have a committee at the City level that has been looking at options with Meijer's. On March 15 they had a conference call with Mr. Chris Jones of Meijer's, the representative managing this project. The Township basically made a motion to enter into a 425 Land Lease Agreement with the City, of which a portion of the Meijer's property would basically become part of the City. Our committee, that includes City Attorney Lindsay, requested that for the water build-out to that site that Meijer's pay for it 100%. Meijer's had offered to pay for one-third of it when they were in negotiation with Inverness Township. The City's committee and staff, including himself, believe that we should not spend City taxpayer dollars on a project that is not within the City, as it is in Inverness Township, even under a 425 Agreement. We determined that we want Meijer's to pay for it 100%. Meijer's understands that. City Manager Eustice went on to state that in checking on nine different locations that have 425 Agreements in the State of Michigan, where Meijer's needed either water or sewer or both, all nine were paid for by Meijer's; none of the townships or municipalities funded any of the project. He does not think it is wise for the City of Cheboygan to financially support that project and Meijer's understands it. Mr. Jones asked for a couple of weeks to bring it to the Board of Meijer's. After a couple of weeks, there was no response. On April 17, 2017, after multiple e-mail and telephone calls Mr. Jones responded and basically said he needs more time to determine that. He also told the Committee in the conference call that the Cheboygan store is not scheduled to be built in 2018 or 2019; the best case scenario is a 2020 build. They are building six stores in 2018 in Michigan, Wisconsin and Indiana and building six stores in 2019 in Michigan, Wisconsin and Indiana. Cheboygan is not on the docket. The best case scenario is that we are on a 2020 build date and a 2021 opening. City Manager Eustice stated he does not see anything that is going to speed that up. Mayor Bronson commented the Committee asked the specific question of what the City can do to advance this calendar and Mr. Jones basically said nothing. Meijer's has not given a decision yet and if their decision is not to pay for any of it, it will make the 425 Agreement look significantly different or we are going to have to go back to Inverness Township and ask them to pay for it. He truly believes Meijer's will come back and say they will pay for the line, and then we can get it built to that site. Mayor Bronson commented part of the discussion, too, was this is a build-out to a single business. If it was a build-out to an area or several businesses that changes our ability to invest money into it. City Manager Eustice agreed, stating it would be a different scenario. Having to spend City taxpayer dollars going to one multi-billion dollar company does not make sense. It is going to be a benefit to the City, but we need Meijer's to step up and fund the project. Mayor Bronson stated when the Committee asked Mr. Jones when they need a 425 Agreement in their hands, he said not until the end of the year. This is why they are thinking the response from Mr. Jones is not showing an urgency right now. City Manager Eustice stated he will continue to e-mail Mr. Jones every few days to see if there is anything new. Mayor Bronson then stated the City's committee continues to meet and do what we can. Mr. Conboy asked what the cost is of running water out to the Meijer's site. City Manager Eustice answered \$450,000.00 to \$600,000.00, noting it would be going down the trail and there would be some unusual expenses with the trail and crossing Tannery Creek. Mr. Forne asked if Meijer's ends up paying for it, is there anything between

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the City and Inverness Township that will stop this. City Manager Eustice replied there should not be at all and certainly not from the end of the City. Mayor Bronson stated we currently have other 425 Agreements with Inverness Township, and it is just a matter of negotiating the share of property taxes with Inverness Township for Meijer's. Mr. Forne stated he does not see an impediment if Meijer's agrees to pay for the buildout. Councilwoman Riddle commented we still have to have a 425 Agreement. Mayor Bronson clarified there would also have to be public hearings on both sides. We need to know the answer from Meijer's before we can start the negotiations to finalize a 425 Agreement. Mr. Forne then stated there should be a meeting of the minds between the City and the Township if Meijer's is funding it; he needs to know how that affects the City monetarily, as opposed to Inverness Township with a 425 Agreement. What is there to negotiate between the two, other than the Agreement? Mayor Bronson explained there is a split of the tax money and that is what the discussion would be about. Mr. Forne stated if the City of Cheboygan is not paying anything on the buildout and Meijer's is footing the bill, it seems to be real simple to him. Mayor Bronson stated we are only talking about the buildout; after it is built, the City has made a commitment for 25 or 50 years to make sure that water system works, so there is a long-time monitoring commitment from the City. City Manager Eustice added the City is going to provide police and fire services, so all the City services would have to be provided to Meijer's just like any other City taxpayer. Mr. Forne stated it is a lot less money for the City with no money in at the get-go. Councilman King commented there are improvements that will have to be made to the City's system, including another water tower and staffing. Mr. Forne asked if the City envisions another water tower. Councilman King stated this has already been in the works. City Manager Eustice stated it is part of the plan. Mr. Forne asked down the road or before Meijer's gets built. City Manager Eustice replied down the road; we don't have to have a water tower for Meijer's as we are adequate now. But as the commercial district grows, we are going to need additional sewer and water capacity. Mayor Bronson stated we are right on the verge of having to have another water tower and thinks the estimate was about 2 ½ million dollars to build. Mr. Forne questioned if that is for future usage. Mayor Bronson stated we may need it for Meijer's, too, because the current water tower is at capacity. When we had the fire downtown at the Carnation, we almost drained the water tower down and we were running hoses to the River, so we know we are at capacity for emergencies. City Manager Eustice commented we are currently in violation with the MDEQ and they are not fining us at this point, but we are kind of at the mercy of the MDEQ and if they say we need more capacity then we have to build a tower. Mr. Forne then stated this could change the whole Meijer's situation, because if the City does not know at this point whether it needs a tower or not, then this is a variable we are still going to be playing with in the future and that may determine whether Meijer's is coming in. Mayor Bronson responded no, the City has been talking about the water tower for quite some time and we have done some planning and funding research. Councilwoman Kwiatkowski asked if we got a partial grant already. Mayor Bronson said we have not pulled that trigger because we are still waiting to hear how much we may have to pay for the Meijer's buildout. City Manager Eustice stated we can do the Meijer's project, as is. Mr. Lofgren asked if it is not prudent to continue those negotiations on the 425 regardless so we don't stumble with time if they go to 2019 before they give an answer they are going to pay for it, noting we have attorneys invested a little bit in the 425, and there is trouble negotiating the 425 with Inverness. Why wouldn't we want to have the 425 in place? Mayor Bronson replied we still have discussions with the Township. Mr. Lofgren stated those discussions would be troublesome, noting they have been in the past. Mayor Bronson stated each of us, City and Township, are looking out for our interest. Mr. Lofgren suggested having the 425 Agreement hammered down when Meijer's gives the okay with the check. Mayor Bronson replied we need to know if there is going to be a buy-in from the City. Mr. Lofgren said he doesn't understand the dollar amount where we would be jeopardizing the taxpayers of the City of

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Cheboygan to get the 425 hammered out. Mayor Bronson stated it would affect the millage split between the Township and the City. Mr. Lofgren stated the millage split is already negotiated on the previous 425s and if you could use that as a boiler plate, why should we stumble later on and have a problem with Inverness. City Manager Eustice replied for all intended purposes it is hammered out, the question that we don't know is who is going to pay for the buildout and that will make a significant difference on the 425. If Meijer's comes back and says they are going to pay for it, we, for all intended purposes, have a 425 Agreement hammered out. We know what we need to do. An audience member stated he will have to ask Mr. Neumann if he thinks that is true. City Manager Eustice commented there has to be public hearings to sign a 425 Agreement and you have to have a negotiated final document before you can take it to a public hearing. Mr. Lofgren said it is all subject to Meijer's wanting to pay the bill. He then asked what happens if Meijer's does not pay for the line, is there no 425? City Manager Eustice stated there still could be a 425 and maybe the millage split will look differently. Councilman King stated due to declining school enrollment, he cannot emphasize enough how important due diligence is between the Township and the City. We can use this time right now to also look at future expansion, because we know what will happen. He then asked if we can hash out separate 425s for that area, so things will be shovel ready when things happen. Mayor Bronson stated this has been part of the Committee's discussion and it's been on his mind, too. Councilman King stated it seems in recent months the public is really starting to come forward to the Inverness Township Board and they are becoming more reactive to it. He does commend the citizens of Inverness Township for putting heat on the fire because we have been getting it here for a long time on this. Mr. Conboy asked if Meijer's wants tax abatements if they pay 100%. Mayor Bronson replied this has been talked about, but not the only thing. City Manager Eustice explained Meijer's initially offered to fund the project when we were looking at a Utility Service Agreement (USA). The City was not really involved in that. Meijer's would fund the entire water line, but they wanted two-thirds paid back to them as they pay taxes, which is about \$400,000.00, from the Township. The Township said they will not be able to pay back the \$400,000.00 in a reasonable amount of time just with Meijer's property taxes.

▪ **Port of Cheboygan** - City Manager Eustice reported on April 12, 2017 the City sold properties to Morrish Marine (Ryba) and Kokosing on the River front and they both have an agreement with us to be Port operators of the Port of Cheboygan. The Land Contract of \$417,000.00 in principle still owed has been paid off. We are moving forward and will partner with Kokosing and Morrish Marine (Ryba) to begin to market the Port of Cheboygan through the Port Commission. On April 20, 2017 we closed on 74 acres on the east side with the Little Traverse Conservancy. The City retained about 10 acres that are uplands and 8 of those acres are adjacent to the Coast Guard Station (corner of Coast Guard Drive and First Street). The Little Traverse Conservancy now owns a lot of the Lake Huron frontage from the Coast Guard Station to the Lofgren Shores development. City Manager Eustice noted the Conservancy has a pretty elaborate plan on building trails and between Huron Pines, Little Traverse Conservancy and the DNR, the whole Duncan Bay area is going to look different in five years. There are plans to put in kayak launches and make water trails through there, as well as foot trails. That area is going to be preserved and developed for recreational type purposes. Councilwoman Riddle asked if the Conservancy has plans to make a presentation before City Council and when that might be. City Manager Eustice stated prior to purchasing the property they were on the property making preliminary thought processes and does not know if they have anything on paper yet, but he will ask them to come here. Councilwoman Riddle stated Bring It Cheboygan might be really interested in this and would help in the whole process. Mayor Bronson asked if all the debt is paid on the Port properties. City Manager Eustice replied yes, we paid off \$850,000.00 for all the property and the properties were sold for \$931,000.00, for a difference of \$81,000.00. However, we

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had a lot of expenses, i.e. attorney fees, environmental studies, surveys, soil testing, and pressure testing. Councilwoman Riddle asked if we are done with Attorney Joppich. City Manager Eustice replied yes, for all intended purposes. Councilwoman Riddle then suggested a thank you letter be drafted for the signature of Council for his assistance and guidance.

- **NLEA Annual Luncheon** – City Manager Eustice stated the NLEA Annual Luncheon is scheduled for Friday, May 19 from 11:30 am to 1:30 pm at the Petoskey High School Stadium. He then asked Council to let him know if they plan on attending. He will also send an e-mail reminder to Council.

### Messages and Communications from Mayor Pro Tem and Council Members:

- **Parks & Recreation Commission** – Councilman King stated he was looking forward to reporting on his first meeting, but there was no quorum which was very frustrating. He noted there is a vacancy on the Commission. He also noted that parks are extremely important to him. City Manager Eustice stated the Commission member has to be a City resident. Councilman King stated the meetings are the third Wednesday of each month at 7:00 p.m. He then stated we need to have a Plan in place for grants. Mrs. Linda Rogers asked if a Township resident cannot be on the Commission. Councilman King replied that is correct, unless there is an intergovernmental committee. City Manager Eustice explained we do have a Recreation Plan, but it needs to be updated. An audience member asked if there are volunteers that support the Commission. Councilman King replied no. He then explained how improvements are done by the Little League, etc. The City is more in maintenance mode, as funds are very limited, mentioning high bills within the last few years at the Ice Rink/Pavilion since the City took it back. Councilman King then mentioned the work that the Kiwanis Club is going to do at Kiwanis Park. Mrs. Nelson asked if the Bring It Cheboygan Group can present someone for consideration to the Commission. Mayor Bronson stated anyone interested must complete an application to be given to City Manager Eustice for him. He will then make a recommendation to Council.

- **Web Site** – Councilman King stated he read in the minutes we are changing gears with the website going back to Mr. Ginop. He asked, as far as content goes, where does the City need help and direction, i.e. looking at other municipal sites. City Manager Eustice stated he has given Mr. Ginop some examples. He then stated he would like to get a couple of Council members together with himself and have a short brainstorming meeting to see what we want the site to look like. We are already kind of doing that with the Ice Rink, noting we have multiple sites, i.e. Ice Rink, DDA and Port of Cheboygan. The Port site needs to be edited and upgraded. Councilwoman Riddle asked if all the sites will be under one umbrella for the City of Cheboygan. Councilman King stated the true City site should be the hub. City Manager Eustice stated he thinks Mr. Ginop has this capability, noting this was what the City was going to do with Revize, noting Mr. Ginop now has the technology for cell phone aps, etc. Councilman King asked if it would be difficult for general staff to work on the site. City Manager Eustice replied it can be, noting Mr. Ginop still uses Word Press. Councilman King stated Word Press is continually updated and is user friendly. City Manager Eustice stated he will send an e-mail to Council to see who would like to meet. He then stated Mr. Ginop is willing to work quickly, getting something done by summer.

- **Music in Festival Square** – Councilwoman Riddle asked if the music/audio system was in place in Festival Square. City Manager Eustice replied yes, but we still need a wireless transmitter. Councilwoman Riddle asked when this will happen. City Manager Eustice replied this spring, noting Mr. Dan Buday, the gentleman that originally installed it, is working on this and if he cannot come up with a device that works, the City will use Shawn from the Opera House. Mr. Buday is not certain what he wants to put in will satisfy us.

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- **Footbridge Elevators** – Councilwoman Riddle asked what is happening with the elevators on the footbridge. City Manager Eustice replied they are operable, but is not certain if they are open. Otis Elevator did servicing a couple weeks ago, but he is not sure if we have the okay for use. He noted previously there were phone and power issues. The biggest issue was with Consumers Power, as their engineering technicians could not guarantee the pole that caught on fire three times in a year would not happen again.
- **911 Board** – Mayor Bronson informed Council he attended the recent 911 Board meeting, noting they are working on a long range plan and anticipating the bandwidth will be split again making connections more difficult which means upgrading all the radios in the three county system or switching to an 800 megahertz system, which would involve installing more towers. They are just starting this discussion and the cost is anticipated to be in excess of 10 million dollars.
- **Strategic Planning Meeting** – Mayor Bronson stated the Council will be having a Strategic Planning meeting, asking if the City Manager received his e-mail regarding [google.com](http://google.com), to try and get people together. City Manager Eustice replied yes. doodle

**Adjournment:**

Councilman King moved to adjourn the meeting at 8:42 p.m.; supported by Councilwoman Kwiatkowski. Motion carried unanimously.

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Mayor Mark C. Bronson

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Deputy Clerk Janet M. Gahn

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Councilman Joseph Lavender

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Councilwoman Winifred L. Riddle

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Councilman Vaughn Temple

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Councilman Nathan H. King

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Mayor Pro Tem Nicholas C. Couture

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Councilwoman Betty A. Kwiatkowski