

**NOVEMBER 29, 2016
REGULAR MEETING**

RECORD OF THE PROCEEDINGS OF THE REGULAR BOYNE CITY COMMISSION MEETING DULY CALLED AND HELD AT BOYNE CITY HALL, 364 NORTH LAKE STREET, ON TUESDAY NOVEMBER 15, 2016

CALL TO ORDER

Mayor Neidhamer called the meeting to order at 7:00 p.m. followed by the Pledge of Allegiance.

Present: Mayor Tom Neidhamer, Commissioners Ron Grunch, Laura Sansom and Hugh Conklin

Absent: Mayor Pro-Tem Gene Towne

Staff: Cindy Grice, Scott McPherson, Patrick Kilkenny, Andy Kovolski, John Lamont, Mark Fowler, Michael Cain, Kevin Spate, Jeff Gaither and Barb Brooks

Others: There were 20 citizens in attendance.

**EXCUSE MAYOR
PRO-TEM TOWNE**

2016-11-132
Moved by Neidhamer
Second by Grunch

To excuse Mayor Pro-Tem Towne from attending today's meeting

Ayes: 4
Nays: 0
Absent: 1
Motion carried

MOMENT OF SILENCE

Mayor Neidhamer requested a moment of silence in memory of Mayor Pro-Tem Towne's mother, Mary Towne, who passed away.

**CONSENT AGENDA
MOTION**

2016-11-133
Moved by Sansom
Second by Grunch

Approved the November 15, 2016 City Commission regular meeting minutes as presented

Ayes: 4
Nays: 0
Absent: 1
Motion carried

CITIZENS COMMENTS

None

CORRESPONDENCE

None

**CITY MANAGERS
REPORT**

City Manager Cain reported:

- The SAW grant documents have been signed and returned to the State
- There is a strong possibility of a recount of the November 8 Presidential Election ballots.
- The City's first ever Certificate of Achievement in Financial Reporting

application was submitted to the Government Officers Finance Association today. We will know in approximately 6 months if we have received the award.

**REPORTS OF
OFFICERS, BOARDS
AND STANDING
COMMITTEES**

**Open Space
Conservation Easement
Public Hearing**

The October, 2016 Financial Statement was received and filed.

Consideration to conduct the public hearing on the proposed Conservation Easement and based on the input received approve the agreement as proposed and authorize the City Manager to execute the necessary paperwork at the appropriate time once the property at 475 North Lake Street is acquired by the City.

Mayor Neidhamer opened the Public Hearing at 7:06 p.m.

City Manager Cain discussed the proposed conservation agreement with the Little Traverse Conservancy for the Open Space property at 475 North Lake Street. The property is located on Lake Charlevoix between the main City boat launch and the Honeywell plant and is across North Lake Street from the Family Fare plaza. The property is about 4.7 acres in size and contains about 600' of Lake Charlevoix shoreline.

As the Commission and the community may recall, this property was acquired by Bob Grove and Mike Dow in 2015. At that time the property had the shell of an uncompleted building and an obscuring fence on the property blocking most of the lake views. Shortly after the 2015 purchase, the new owners leased the property to the City for \$1.00 thru December 2017 in order to allow the public to use the site and give the City the opportunity to seek grant funds to purchase it. After the lease was executed the City cleaned up the site, removed the fence and opened the property for public use. Mr. Grove made arrangements to have the shell of a building on the site removed. City crews then removed the foundation. This year the City continued to maintain the site, transplant trees from the old City Hall site and arranged for the MDEQ to conduct an environmental assessment of the site. We also applied for grants to help acquire the site. One thru the Coastal Zone Management program where we were recently informed our application was denied while another thru the Michigan Natural Resources Trust Fund is still under consideration with a decision expected in early December. Last year Mr. Grove and Mr. Dow expressed interest in working out an arrangement that would protect their vision of how the property should be used, which they have always expressed as public open space. That has been the expressed desire of the City as well. Meetings were held to work out a framework of what would be considered and how it would be accomplished. Tom Bailey, Executive Director of the Little Traverse Conservancy came to the table to assist the process and recommended using a conservation easement, which he has drafted and redrafted based on input from the parties. The draft before you this evening is the result of months of work and many meetings between the parties. The anticipated benefits of the property as seen through the protections and limitations of use of the proposed easement are noted in section 2A on pages 2 and 3. While the whole document should be reviewed, I would suggest special attention be given to sections 4 which deals with prohibited actions and section 5 which are permitted uses. These detail what the City would and would not be allowed to do with the property once we become the owner of the property.

City Manager Cain added that basically the City would be able to use the

property as an open space park; no buildings or structures would be allowed and any parking area would have to be in the north 60' of the property. Any building, such as a changing/shower facility would need to be located on the adjacent City boat launch facility. A dock or fishing pier, as contemplated in last year's publically developed Boyne on the Water concept design for this, would not be allowed.

The conditions and the concept of the conservation easement itself have been proposed by the current property owners as a way to protect this property in the long term as public space that maintains maximum public views of Lake Charlevoix for users of the site and also on nearby properties, roads and pathways. These conditions are not required by any grant although they may be of some benefit in obtaining some.

It should be noted that the MNRTF acquisition grant we have applied for also has conditions associated with it to make acquired properties very difficult to sell in the future without replacement of equivalent land or refunding of the grant. Generally my preference is to provide the City and those who will live in and govern it in the generations to come the widest possible options on how they may desire to handle their affairs in the future. The proposed conservation easement limits the options on how the City can use this property, now and in the future. If the easement is approved and the property is purchased by the City, as the parties' desire, it will always be a public park with no buildings and restricted parking areas. The only thing that could change that would be a future modification of the easement by the parties which would be limited to mainly maintaining the intent of the original agreement. That said it should further be noted that the City owned this property once before. It is my understanding that in the 1950's, to spur economic development and provide much needed jobs, the City sold the property and indeed a factory was built that provided jobs for decades thereafter. My point is not to second guess the City's actions then. Our waterfront and those of many other communities were used very differently back then and industrial uses were not uncommon. So things change and we hope to be coming to the point where we go full circle and that the City owns the property again. The point here is that while things and community values do change the proposed conservation easement, on top of any other grant requirements, would require this property, once acquired by the City, would forever remain as very public and very open space. At this point it is up to the City Commission to review the proposed conservation easement, obtain public comment regarding it and determine if what it seeks to accomplish is compatible with the short and long term interests of the City. Based on the negotiation process up to this point, it is my impression that the proposal before you is the best effort to meet the goals and desires of both parties. While there are some things I would do differently if it was up to me or just us, this is not the way most negotiations work. I do believe that the parties' mutual goals of developing this property as public open space with lots of view corridors can successfully be accomplished and sustained long term with this easement approved and in place. If the City Commission and the public is comfortable with the easement as proposed it could be approved tonight. Once approved it would be shared with State recreation officials and others at the appropriate times. The easement itself would not actually be executed or effective until after the City acquired this property. In the meantime we will continue to operate under the terms of the lease, at least thru December of 2017.

Tom Bailey of the Little Traverse Conservancy introduced himself.

Bob Grove (property owner along with Mike Dow) said they are certainly not park planners. They enjoy the lakes and nature and he has seen prior examples where government has had this opportunity. He added that he sees this as a good way to protect the property for the future, and to prevent anything bad from happening to this property. There is also tremendous development across the street that could be a beautiful residential development.

Jerry Liesmer, said he was extremely pleased when the actions were taken from the good friends of this community. Other communities have had temptations of properties like this for tax increases. He wants to see this property protected for his grandchildren and the conservation agreement is clearly the best way for protection of the property.

Barb Worgell said she is pleased we are doing this. We are going in the right direction. Keep the property as natural and open as we can and building free.

Bruce Janssen said the best asset Boyne City has is Lake Charlevoix. We need to protect that and the best way to do this is with a conservancy. Go for it.

Dean Solomon asked if it would include sidewalks, lighting and disability access.

Correspondence from Jim Baumann was read, received and filed.

Mike Dow said that when thinking about a restroom on the South end of the property, there would then be two restrooms that would need to be maintained.

Barry McGinnity said possible diagonal parking against the street would work better.

Mike Doumanian said the traffic on the property is limited. A second restroom facility could make sense with all of the use.

Bruce Janssen said not all parks need to have all the amenities and accommodate the same needs.

Rhea Dow said it is all about the view.

Nelson Olstrom inquired if parking spaces are even necessary.

Tom Bailey said the proposed agreement allows, but does not require action. He added that he wants to thank and commend these partners for doing this for the public, and thanks the city for looking to the future. This is a success story. You have a marvelous thing going.

Dorothy Olstrum said she thinks the property is lovely just the way it is. Peaceful and calm.

Mayor Neidhamer closed the Public Hearing at 7:41 p.m.

Board Discussion: Commissioner Conklin asked if it would be a good idea to delete the picnic pavilion language in section 5B. Commissioner Sansom asked what would be an example of an open space park reuse. Commissioner Grunch said everyone has worked very hard on this project. Mayor Neidhamer said his concern is that we are negotiation for something we don't own and he is hoping the grant comes thru in December. We had a lot of good people put a lot of work into this and he supports the recommendation.

MOTION

2016-11-134
 Moved by Conklin
 Second by Grunch

To approve the proposed Conservation Easement and pending the City Attorney's final approval and authorize City Manager to execute the necessary paperwork at the appropriate time once the property at 475 North Lake Street is acquired by the City.

Ayes: 4
 Nays: 0
 Absent: 1
 Motion carried

2017 City Commission Meeting Schedule

Consideration to approve its regular meeting schedule for 2017 the 2nd Tuesday of each month at 7:00 p.m. and the 4th Tuesday of each month except December at noon with all meetings to be held at Boyne City Hall, 364 North Lake Street in Boyne City, until the new City Facilities are complete at which time they will be held at 319 N. Lake Street.

Staff Comments: None

Citizens Comments: None

Board Discussion: All are in agreement with the recommendation.

MOTION

2016-11-135
 Moved by Conklin
 Second by Sansom

To approve its regular meeting schedule for 2017 the 2nd Tuesday of each month at 7:00 p.m. and the 4th Tuesday of each month except December at noon with all meetings to be held at Boyne City Hall, 364 North Lake Street in Boyne City, until the new City Facilities are complete at which time they will be held at 319 N. Lake Street.

Ayes: 4
 Nays: 0
 Absent: 1
 Motion carried

City Manager Compensation

Consideration to approve an increase in wages for the City Manager to \$105,000 per year for the period of 5/1/16 to 4/30/17, with the increase retroactive to 5/1/16 including its impact on other benefits

Mayor Neidhamer discussed the evaluation process that recently took place for City Manager Main Cain. A 4.48 score was given to Mike which is the highest evaluation he has received. Based on that information, the increase in compensation that was requested is being presented for approval.

City Manager Cain said he is proud of the work we have done together. The term 'charismatic community' fits Boyne City to a T. We've got a great team. His duty is to build that type of positive team. He thanked the City Commission as well.

Staff Comments: None

Citizen Comments: None

Board Discussion: Commissioner Sansom said she is in full support. Mike has the experience, she likes what he does and it relates well. She also presented a list of grants totaling over \$9,000,000 since Mike has been here. Commissioner Conklin said he thinks the 10% pay increase request is high. We talk about not having the resources. Commissioner Grunch said he supports the City Manager's request. It is due time for a major pay raise. The low / mod income survey that Mike had done was a key that unlocked a lot of the grants we have received. Under Mike's leadership, this is well deserved and thanks for 14 years of dedicated work. Mayor Neidhamer said he supports the request of a 10% pay increase. This is market value wage, deserved because of performance. It's an incentive. You pay for quality.

2016-11-136
 Moved by Grunch
 Second by Sansom

MOTION

To approve an increase in wages for the City Manager to \$105,000 per year for the period of 5/1/16 to 4/30/17, with the increase retroactive to 5/1/16 including its impact on other benefits

Ayes: 3
 Nays: 1, Commissioner Conklin
 Absent: 1
 Motion carried

Good of the Order

Commissioner Sansom said the Community Christmas is in need for stuffed animals, gifts for teen girls and gifts for teen boys.

ADJOURNMENT

Motion by Mayor Neidhamer seconded by Commissioner Sansom to adjourn the Regular City Commission meeting of Tuesday, November 29, 2016 at 8:20 p.m.

 Tom Neidhamer
 Mayor

 Cindy Grice
 Clerk / Treasurer