

**FEBRUARY 10, 2015
REGULAR MEETING**

RECORD OF THE PROCEEDINGS OF THE REGULAR BOYNE CITY COMMISSION MEETING DULY CALLED AND HELD AT BOYNE CITY HALL, 319 NORTH LAKE STREET, ON TUESDAY FEBRUARY 10, 2015

CALL TO ORDER

Mayor Grunch called the meeting to order at Noon followed by the Pledge of Allegiance.

Present: Mayor Grunch, Commissioners, Mayor Pro-Tem Towne, Commissioner Gaylord, Laura Sansom and Tom Neidhamer

Absent: None

Staff: Cindy Grice, Michael Cain, Barb Brooks, Annie Doyle, Scott McPherson, Jeff Gaither, Andy Kovolski, Kevin Spate, John Lamont

Others: There were 10 citizens in attendance including representatives from the Petoskey News Review and Charlevoix County News.

**CONSENT AGENDA
MOTION**

2015-02-009

Moved by Towne

Second by Sansom

Approval of the January 27, 2015 City Commission regular meeting minutes as presented

Approval to appoint Rose Rau to the Board of Review for a three year term expiring on January 31, 2018

Approval to contract with C2AE for bid and construction engineering services for the Lower Lake Storm Outfall project in the amount of \$9,750 and authorize the City Manager to execute the documents

Approval of a mutual aid agreement with the Jordan Valley Emergency Medical Service Authority

Approval to support and endorse the 2015 Boyne Thunder event to be held July 9 – 12, 2015 support the application to the Liquor Control Commission for a special license for the sale of beer, wine and spirits on the premises; and authorize City staff to work with the Boyne Thunder committee on needs and issues that may arise as event plans move forward

Ayes: 5

Nays: 0

Absent: 0

Motion carried

None

CITIZENS COMMENTS

CORRESPONDENCE

Correspondence from Leslie M. Neilson regarding fluoridated water usage in baby formula preparation and correspondence from Patrick McGow of Miller Canfield discussing their scope of services as bond counsel related to the City Facilities Improvement project was received and filed.

CITY MANAGERS REPORT

Mayor Grunch presented a check to members of the Boyne Valley Garden Club for \$3,000 for the upcoming 2015 season.

City Manager Cain reported:

- We have advised our water drip list customers to begin running water. We have had no exterior lines freeze yet.
- We were selected as one of the seven communities across the State to receive a PlacePlans services grant through MML and MSHDA. This will help the community develop plans to improve and provide better connections to public waterfront areas from Peninsula Beach Park, Sunset Park and the portions of Veterans Park, south of the Veterans Memorial.
- Lori Meeder has been hired as our new Main Street Executive Director and will officially begin her duties March 1.
- We are currently advertising for a General Office Clerk to fill the vacancy when Karen Seeley retires at the end of May.
- The Boyne City Marina received a \$5,000 risk reduction grant from our liability insurance provider for an electrical ground fault monitoring device.

Draft Minutes of the January 5 2015 Parks and Recreation Board Meeting; the January 8, 2015 Main Street Board Meeting; the January 15 2015 Airport Board Meeting and the January 19, 2015 Planning Commission Meeting were received and filed.

REPORTS OF OFFICERS, BOARDS AND STANDING COMMITTEES

Consideration to approve a resolution provided to place on the May 5th ballot, the Boyne City Facility Improvement Proposal and authorize the City Clerk / Treasurer to submit it to the County Clerk prior to the 4:00 p.m. deadline and authorize City staff to take appropriate steps to inform the public of the election and the issues.

City Facilities Bond Proposal

City Manager Cain discussed the ballot proposal and language to place the City Facilities improvement proposal on the May 5th ballot. There is no good time to ask the public for additional money. The road funding ballot measure could cut either way. Placing the matter on the May ballot also gives the Commission the option of placing another measure on the November ballot if it doesn't pass. Ultimately it will be up to the voters to determine if the need exists and if this is the appropriate way to address those needs.

Staff Comments: None

Citizens Comments: Don Smith said the Petoskey News Review quoted that the new facility would be more efficient and asked how much we will save on labor? How much will we save on the EMS facility rent? What percentage of the increase in taxes would be paid for by landlords and businesses? We could price ourselves out of affordable housing. Would money go the City & DDA? He thinks the DDA should kick in \$200,000 per year. What would be our return on investment from the MSU extension office? How much would the cost of square footage of the museum be? Mr. Smith added that he believes the DDA office should be in City Hall and be fully reimbursed for all employees.

Ken Allen said the question is should we do a bond proposal or not. The problem is the primary burden is on property owners, now and future. He thinks we should go forward.

Board Discussion: Commissioner Neidhamer said we need to go forward

for the May election. We have done our due diligence and have vetted the issues. He feels totally confident. The process started back when we hired a consultant. We got to a date and price. Commissioner Neidhamer added that he feels this process has been very open and transparent. Everyone agreed the need is there. It's the best time to borrow money. We talked about the 4H office, the museum, the design and savings on the EMS facilities. He added that he thinks it's been a very open discussion with logical conclusions.

Mayor Pro-Tem Towne said he agrees with Commissioner Neidhamer. This should go on the May 5 ballot.

Commissioner Gaylord said he feels the DDA should help with this process. He also talked about combining his concept with pay as we go. He thinks if this passes, we should set aside funds to pay down the debt. Are we going to create a climate where business comes to Boyne City. If this passes, it's another cost to do business as well. Commissioner Gaylord added that he thinks it's something we need to think very carefully about. If there's an overwhelming defeat, it would mean the folks would have clearly spoken. Like anything, details matter because that is when things and people become affected. There are things that need to be put in place before we put it to a vote. He's not sure if it's something we need to rush into. If it does go forward, this project becomes the sole focus and sole source of funding and paying it down to save taxpayers money in interest costs. The citizens will make the right decision, but he's not in favor of putting this on the May ballot.

Commissioner Sansom said she thinks we've finally reached a point to do this. She doesn't like paying higher taxes either, she's on a fixed income now, but thinks it's a worthwhile project moving forward. She added she thinks the community deserves a new EMS, Police, Fire and office facilities. This project is a lot of money. But we did set aside funds to do the DPW facilities and thinks it's from due diligence. We are getting heavy equipment off the water. She would like to see where voters stand on this and is in favor of putting it on the ballot and see where it goes.

Mayor Grunch said it's a culmination of long term planning. It became part of the top 10 list in 2003. It's a process of doing what the people have asked us to do. Regarding the millage of 2.7 mills, there is a correlation of timelines. Selling bonds will take place in early 2016. With the coming school millage rolling off. Timing wise, it could be the best because of the cost of money right now. Also, looking at inflation, what a mill brings in, with no prepayment costs, there is a good likelihood we could pay this off sooner. He added he thinks it should go to voters to ask and put it on the May ballot.

City Manager Cain said to keep it in perspective, over 8 million dollars were spent just on the Wastewater Treatment plant. These funds will cover all other departments. Look at the High School facility and it is a source of pride for us. Look at the investment made in the Library. City facilities say a lot about us. The DPW is our down payment of an overall project. There will be fine tuning. We'll never know until we try. This will be a lot of hard work for all of us.

Commissioner Neidhamer added that combining DDA dollars with grants,

20 to 30 cents on a dollar. Commissioner Gaylord added that in his opinion, the data provided by the City Manager on ballot issues placed on ballots in May versus November and percentages of these measures passing, does it really have a direct bearing. Its' all about the facts. We have to be very careful and not circumnavigate the voters to get an outcome. Commissioner Sansom said it could pass or fail. She is not looking at the data they were presented today like that.

MOTION

2015-02-010

Moved by Towne

Second by Sansom

To approve a resolution provided to place on the May 5th ballot the Boyne City Facility Improvement Proposal and authorize the City Clerk / Treasurer to submit it to the County Clerk prior to the 4:00 p.m. deadline and authorize City staff to take appropriate steps to inform the public of the election and the issues

Ayes: 4

Nays: 1, Commissioner Gaylord

Absent: 0

Motion carried

City Manager Cain presented Mark Fowler for confirmation as our new Water / Wastewater Superintendent. He was selected out of a pool of 9 applicants for the position. His extensive water and wastewater experience as well as teaching experiences should serve him well in this position. Mr. Fowler has all the required State of Michigan licenses for operating our systems. He has already toured our facilities and spent time with all of the Water / Wastewater personnel and is anticipated to start March 2nd. His salary will be \$61,500 annually.

Staff Comments: None

Citizens Comments: None

**Water/Wastewater
Superintendent
Confirmation**

Board Discussion: All are in support of the recommendation to confirm Mr. Fowler and welcomed him.

2015-02-011

Moved by Gaylord

Second by Sansom

To approve to confirm the appointment of Mark Fowler as Water/Wastewater Superintendent for the City of Boyne City

Ayes: 5

Nays: 0

Absent: 0

Motion carried

Veterans Park Pavilion

Consideration to authorize staff to 1) continue to refine and develop plans for the pavilion to keep the project moving forward, 2) support budgeted funds in the upcoming 2015/16 budget that would be used to match potential grants, 3) start applying for grants and soliciting contributions

with a goal to hire a consultant and start construction as soon as it is financially feasible.

Barb Brooks discussed the Veterans Park Pavilion project, the refinement of the plans for Concept 2 and investigating ways to cover the costs. This design uses the base foundation of the current pavilion and expands it to provide for additional amenities and accommodate a larger number of people. After reviewing all of the public input and researching grant opportunity specifications, we have asked the architect to incorporate a lower roof line and commercial kitchen components. The current estimate for the project is approximately \$700,000 which would include final design, engineering, bid documents, construction and construction oversight. Federal and state grant opportunities have been identified as well as local resources. Preliminary conversations have been ongoing with the MEDC who would be the main funding sources of the project. A draft spreadsheet showing sources of potential funding, possible financial contribution and budget was presented as well. The project was reviewed by the Main Street board who are in full support and unanimously voted to dedicate funds for this project. With all of the grant opportunities we have the opportunity to apply for, we may only need to pay around \$170,000 for the project. Construction could possibly take place in the fall of 2015/2016 and take approximately 4 – 6 months. We know the project is within the MEDC criteria.

Staff Comments: None

Citizens Comments: Michele Cortright, representing the Charlevoix County Community Foundation said they have set up a project fund for the pavilion and some interfund agreements.

Ken Allen said 10 years ago the Commission decided to remove the bandshell. This is a huge improvement and a great project that's too important.

Board Discussion: Mayor Pro-Tem Towne said he has been in favor from day 1. He wants to see the pavilion used year around, and especially done with the grants. Commissioner Gaylord said to be consistent, he can't support City funds directed to this project. It looks nice but he can't support it. Commissioner Sansom said it will be a well used facility used by many individuals, families and organizations and she thinks we can make it happen. Commissioner Neidhamer said he is 1,000% in support of going forward with this. It is another example of getting something built for 20 cents on the dollar. Mayor Grunch also said he is support and thanked Barb Brooks and team for putting this project together.

2015-02-012

Moved by Towne

Second by Sansom

To to authorize staff to 1) continue to refine and develop plans for the pavilion to keep the project moving forward, 2) support budgeted funds in the upcoming 2015/16 budget that would be used to match potential grants, 3) start applying for grants and soliciting contributions with a goal to hire a consultant and start construction as soon as it is financially feasible

Ayes: 4
Nays: 1, Commissioner Gaylord
Absent: 0
Motion carried

Good of the Order

None

ADJOURNMENT

Moved by Mayor Grunch seconded by Commissioner Gaylord to adjourn the regular City Commission meeting of Tuesday, February 10, 2015 at 1:18 p.m.

Ron Grunch
Mayor

Cindy Grice
Clerk / Treasurer

DRAFT