

**OCTOBER 17, 2017
REGULAR MEETING**

RECORD OF THE PROCEEDINGS OF THE SPECIAL BOYNE CITY COMMISSION MEETING DULY CALLED AND HELD AT BOYNE CITY HALL, 319 NORTH LAKE STREET, ON TUESDAY OCTOBER 17, 2017

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, Mayor Pro-Tem Gene Towne and Commissioners Laura Sansom, Hugh Conklin and Ron Grunch

Absent: None

Staff: Michael Cain, Mark Fowler, Jane Halstead

Others: There were 22 citizens in attendance including a representative from the Petoskey News Review.

CONSENT AGENDA

None

CITIZENS COMMENTS

Frank Minier of 514 West Michigan Ave inquired about the requirements/regulations for posting public hearing notices.

CORRESPONDENCE

None

**CITY MANAGERS
REPORT**

None

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

None

**West Michigan Water
Extension Special
Assessment Public
Hearing**

The West Michigan Water Extension Special Assessment Public Hearing was called to consider the creation of a special assessment district for the development of the proposed West Michigan and Woodland Street Water System Extension. The City received the consideration request from citizens in that neighborhood via a petition. City Manager Michael Cain explained that because not all property owners in the affected area received a notice of the meeting ten days prior, which is required by State Law, this meeting would be used instead to receive public input and review the entire process. A new date for the Special Assessment Public Hearing will need to be determined.

City Manager Cain explained the process. The engineering firm of C2AE has submitted preliminary cost estimate figures for the project. It is expected to cost approximately \$300,000 which will be divided among 27 parcels. This includes a 30% contingency fee for engineering design work and unexpected costs. If a 20 year repayment schedule is selected at a 4% interest rate the cost per parcel would be roughly \$11,111 per parcel. The project would go out for bid this winter with a construction start in spring or early summer 2018. Different payment schedules can be selected and the bids may come in lower or higher than anticipated. A special assessment is required because the water system operates as an enterprise fund which means it must pay for

itself. Funds are used for operation and maintenance of system. There are no funds for expansion. No grants are available at this time to fund this project.

The meeting was opened up to public comment:

Danyell Minier of 514 Michigan Ave asked if property owners will be required to hook into the new water main. It has never been the practice of the City to require a property owner to hook into the system. The property owner will still be assessed for the service.

Stephanie Carter asked what the additional cost will be to run the service to the house. Mark Fowler answered that it is approximately \$1500 for tap in fees. The home owner is also responsible for the cost to run the service from the street to the house.

George Shiotellis of 635 West Michigan questioned whether there would be boring under the road. Larry Fox of CAE2 stated that the water main would be on the North and West side of the road and to access properties on the opposite side of the road they would bore under the road. Water mains will be placed 6 feet deep and water service lines can be bored.

Frank Minier is opposed to the assessment as they recently installed a new well. Their water quality is better now and they do not wish to incur any more costs. Danyell Minier is concerned about damage to their trees and dirt getting on their property. There would be a pre-construction meeting to work details out on specific circumstances. Frank Minier also asked how the number of lots assessed was determined. Cain said the City Assessor determined which parcels would be included. The parcels to be assessed will be reviewed and confirmed with Assessor before the project goes forward.

Tom Miller of 643 West Michigan questioned if the City usually provides for new water services. Cain answered that in new neighborhoods the developer provides the infrastructure. The City does not pay for extensions but does maintain the system once established.

Dorne Davis of 615 Boyne City-Charlevoix Road questioned the map provided and does not think it is accurate. He also thinks the assessment should be proportionate to the SEV of the property. His sister Cristine Obrien owns three of the lots and the assessment would be greater than the value of the property. Davis submitted a letter from his sister Cristine Obrien in opposition of the assessment.

George Ellwanger of 627 W Michigan is in favor of project. He is disappointed there are no grants available and is concerned about the affordability for all property owners.

Walt Coyle of 631 West Michigan had questions on the 4% tax rate. This rate came from a bid from a local bank bid and not through a bonding process.

Dan Wollschlager of 625 West Michigan is in favor of assessment. Water quality is marginal and fire safety is a concern for him as well. He also has questions on the number of lots being assessed. Anything the City can do to help assessed owners defray costs should be pursued. Wollschlager also

submitted a letter from neighbor Tom Stockbridge of 639 Woodland Drive in support of the project.

Megan Coleman of 512 West Michigan Ave asked how the construction would affect those living in the area. Cain stated that before construction starts, there would be a meeting with the residents and contractor to determine construction and scheduling specifics.

Kerry Ruggeri of 629 West Michigan is in favor of project. The water is bad and he and his wife don't even give it to the dogs. It ruins clothing and fixtures. He submitted a photograph of rust-stained bedding.

Frank Minier asked how the number of lots assessed was determined. Cain said the City Assessor determined which parcels would be included. Because there are several questions on which parcels are included, Mayor Neidhamer stated that this will be reviewed and confirmed with the City Assessor before the project goes forward.

Dan Wollschlager questioned if the City has resources for future maintenance costs. Michael Cain said the City's current water system is in good shape and he does not foresee any large unexpected expenses.

Larry Fox answered questions on the construction process. Properties will be restored to "Like" condition that the property in was prior to construction and property owners will be given prior notification if access to their driveway will be affected.

Letters and photographs from Tom Stockbridge, Cristine O'Brien, Dorne Davis, and Kerry Ruggeri were received and filed.

Board Discussion: The Commissioners discussed the dates available on which to reschedule the hearing. All were in agreement that October 30th, 2017 would work.

Commissioner Conklin asked how the petition signatures were obtained and Dan Wollschlager said he did not get to every homeowner. Conklin also the audience if anyone had any other ideas on an assessment formula. No ideas were immediately given.

MOTION

2017-10-093
 Moved by Neidhamer
 Second by Grunch

To schedule a special meeting of the Boyne City City Commission October 30th at 7:00 p.m. for the purpose of conducting a public hearing to consider creation a special assessment district for the development of the proposed West Michigan and Woodland Street Water System Extension.

Ayes: 5
 Nays: 0
 Absent: 0
 Motion carried

**Closed Session
MOTION**

2017-10-094
Moved by Neidhamer
Second by Grunch

To approve the request of the City Manager to go into closed session to consider a periodic personnel evaluation of a public officer as provided in MCL 15.268 (a) of the Michigan Open Meetings Act (PA 267 of 1976) and to consider the purchase of real property as provided in MCL 15.268 (d) of the act at 8:21 p.m.

Ayes: 5
Nays: 0
Absent: 0
Motion carried

**Return to Open Session
MOTION**

2017-10-095
Moved by Neidhamer
Second by Towne

To return to Open Session at 10:49 p.m.

Ayes: 5
Nays: 0
Absent: 0
Motion carried

GOOD OF THE ORDER

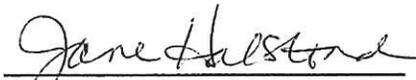
Mayor Neidhamer appointed himself and Commissioner Sansom to the Compensation Review Committee. They will come up with a recommendation for the October 24, 2017 City Commission meeting.

ADJOURNMENT

Motion by Mayor Neidhamer seconded by Commissioner Sansom to adjourn the Special City Commission meeting of Tuesday, October 17, 2017 at 10:50 p.m.



Tom Neidhamer
Mayor



Jane Halstead
Recording Secretary