

**MARCH 24, 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 MARCH 24, 2015

**CALL TO ORDER**

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

Present: Mayor Ron Grunch, Mayor Pro Tem Gene Towne, Commissioners Laura Sansom, Tom Neidhamer and Derek Gaylord

Absent: None

Staff: Cindy Grice, Andy Kovolski, Scott McPherson, Mark Fowler, Kevin Spate, Michael Cain, Barb Brooks, John Lamont, Lori Meeder

Others: There were 6 citizens in attendance including representatives from the Petoskey News Review and Charlevoix County News.

**CONSENT AGENDA  
MOTION**

2015-03-030

Moved by Towne

Second by Neidhamer

2015-03-030A

Approval of the March 10, 2015 City Commission regular meeting minutes as presented

2015-03-030B

Approval to adopt a resolution supporting the DNR Recreation Passport Grant application for the Ridge Run Dog Park fitness tracks

2015-03-030C

Approval of the NLEA proposal at a cost of up to \$10,000 not to exceed 2% of the CDBG grant to be awarded, and authorize the City Manager to implement this agreement

2015-03-030D

Approval to name City Manager Michael Cain as the Environmental Review Officer for the Pavilion Project and to sign and submit any necessary documents

Ayes: 5

Nays: 0

Absent: 0

Motion carried

**CITIZENS COMMENTS**

None

**CORRESPONDENCE**

None

**CITY MANAGERS REPORT**

City Manager Cain reported:

- We have been invited to submit a grant application to the Frey Foundation for additional grant funds for the Pavilion project
- Officer Todd McGuire and Assistant Chief Kevin Spate responded to a call that W/WW Dept staff member Gary Dunlop made to 911 to respond to a dog that fell thru the ice at the lagoons. Officer McGuire and Assistant Chief Spate rescued the dog.
- The reconstruction at McDonalds has begun.
- 15 applications have been received for the Assistant Planner

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

**2<sup>nd</sup> Reading – One Water  
Street Conditional  
Rezoning Request**

Position.

- Boyne Thunder has sold out.
- We are asking water customers to continue running their water as the frost is still around 4 feet.
- Absentee ballots are now available for the May 5 election

---

The February, 2015 Financial Statement was received and filed.

---

Consideration of second reading and approval of the Conditional Zoning Amendment in the Central Business District as part of the One Water Street project as presented, subject to final review and approval of the development plan by the Planning Commission.

Planning Director Scott McPherson discussed the application for an amendment to the One Water Street conditional rezoning, a conditional use in the Central Business District and development plan review has been submitted by Catt Development. As this request includes a change to the development plan in conjunction with conditional rezoning this aspect of the proposal must be reviewed in accordance with the Michigan Zoning Enabling Act and the Boyne City Ordinance. The uses are not being changed, the applicant is proposing to remove 4 of the 13 approved detached resort cottages that are located in the interior of the site.

Citizens Comments: None

Staff Comments: None

Board Discussion: Commissioner Gaylord asked the developer if he had any 3D drawings of the projects. All Commissioners are in agreement with the request.

**MOTION**

2015-03-031  
Moved by Towne  
Second by Sansom

To approve of the Conditional Zoning Amendment in the Central Business District as part of the One Water Street project as presented, subject to final review and approval of the development plan by the Planning Commission

Ayes: 5  
Nays: 0  
Absent: 0  
Motion carried

**Sommerset Pointe Update**

---

City Manager Cain reported that the agreement is still under review by attorneys of both parties.

---

**DPW Facility Bids**

---

Consideration to approve to award the contract to construct the DPW Facilities at North Boyne to Hallmark Construction for the \$2,073,000 and authorize the City Manager to execute the required documents.

---

Public Works Superintendent Andy Kovolski discussed the four bids received for the new DPW facilities. Hallmark Construction of Traverse City was the low bidder. Overall the bids came in within 12 percent of

each other. All of the contractors that bid on the project have completed many projects of this size and scope with acceptable results.

Staff Comments: None

Citizens Comments: None

Board Discussion: Commissioner Gaylord discussed the breakdowns on the different segments of the bid. He said he would like to see some completed works. And a cost analysis to understand what we're with dealing with regarding Hallmark and the quality of work, i.e. cost overruns. Ray Kendra of Environment Architects said the building breakdown was due to components being removed if needed. Discrepancies on the difference between contractors were for profit assigned to which building. He added that he has had experience with Hallmark's performance on past projects for 15 years and it is fine. Commissioner Neidhamer said he is pleased with the bids, the timeline and trusts the process. We hired experts, they performed. Bids came in low. Commissioner Sansom asked if the timeline was reasonable and was informed yes. Mayor Pro-Tem Towne agreed. Mayor Grunch asked about the change order process. Jeff Fedorinchik of Hallmark said extra work doesn't happen in the field without approval of the architect.

2015-03-032

Moved by Towne

Second by Sansom

To approve to award the contract to construct the DPW Facilities at North Boyne to Hallmark Construction for the \$2,073,000 and authorize the City Manager to execute the required documents

Ayes: 5

Nays: 0

Absent: 0

Motion carried

### Michigan DNR Waterways Grant Application

---

Consideration to authorize staff to submit an application to the Waterways Commission for grant funding of \$30,000 to undertake preliminary engineering for the marina expansion project and appoint the City Manager to sign and submit any necessary documents.

Harbormaster Barb Brooks stated in order to ever move forward with any portion of the marina expansion plans, preliminary engineering needs to be completed. This would include updating the Marina Master Plan, additional site testing, plan specifications, electrical design and plumbing design, breaking down the phase with cost estimates of each phase amongst others. In speaking with our grant representative at the MDNR, we will need to have preliminary engineering completed in order to request development grant funds in the future. We have also been encouraged to apply for grant funding to complete this task. The Waterways grant is due on April 1, 2015 and requires a 50% match. If the grant is approved, the City's portion of the project would be up to \$30,000. Funds have been proposed in the FYE 2016 budget.

Staff Comments: None

Citizens Comments: None

Board Discussion: Mayor Pro-Tem Towne supports the recommendation. The marina is an economic booster. Commissioner Neidhamer said he agrees 100%. Commissioner Sansom said she is in full support. Commissioner Gaylord said he can't support this proposal. We have not finalized and approved the budget yet. It is in the goals, but we don't have to attack those goals in order. He added he thinks we need to financially focus on the facility. They're all nice things to have, but he doesn't believe it's the focus we need to direct to at this time.

Harbormaster Brooks added the City Marina is self sufficient. These are separate funds from the City Facility funds. City Manager Cain said we are asking for a grant. It is on the horizon there is a day we won't have the One Water marina available. The City of Boyne City is very good at multi-tasking.

Mayor Grunch added that he supports this recommendation.

**MOTION**

2015-03-033

Moved by Neidhamer

Second by Towne

To approve to authorize staff to submit an application to the Waterways Commission for grant funding of \$30,000 to undertake preliminary engineering for the marina expansion project and appoint the City Manager to sign and submit any necessary documents

Ayes: 4

Nays: 1, Commissioner Gaylord

Absent: 0

Motion carried

**Good of the Order**

Commissioner Sansom discussed that Pure Michigan has teamed with up with Google to provide 44 sites in Michigan with virtual tours. We are the third state to join this set up.

**CLOSED SESSION**

**MOTION**

2015-03-034

Moved by Grunch

Second by Gaylord

Request of the City Manager to go into closed session with our attorney regarding 1) Attorney/Client Privilege document as provided in MCL 15.268 (h) of the Michigan Open Meetings Act (PA 267 of 1976) and 2) consider strategy connected with the negotiation of a collective bargaining agreement as provided in MCL 15.268 (c) of the Michigan Open Meetings Act (PA 267 of 1976) at 1:07 p.m.

Ayes: 5

Nays: 0

Absent: 0

Motion carried

**RETURN TO OPEN  
SESSION**

2015-03-035  
Moved by Grunch  
Second by Gaylord

To return to open session at 2:52 p.m.

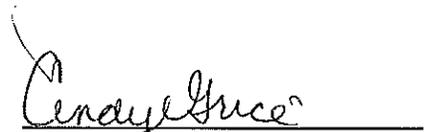
Ayes: 5  
Nays: 0  
Absent: 0  
Motion carried

**ADJOURNMENT**

---

Moved by Mayor Grunch seconded by Commissioner Gaylord to adjourn the regular City Commission meeting of Tuesday, March 24, 2015 at 2:53 p.m.

  
\_\_\_\_\_  
Ron Grunch  
Mayor

  
\_\_\_\_\_  
Cindy Grice  
Clerk / Treasurer