

**APRIL 24, 2012
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 APRIL 24, 2012

CALL TO ORDER

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

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

Staff: Craig Remsberg, Dennis Amesbury, Scott McPherson, Barb Brooks, Hugh Conklin, John LaMont, Andy Kovolski, Cindy Grice and Michael Cain

CONSENT AGENDA

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

2012-04-060

Moved by Neidhamer
Second by Towne

2012-04-060A

Approval of the April 10, 2012 regular City Commission meeting minutes as presented

2012-04-060B

Approval of the reappointment of George Ellwanger to the Planning Commission for a three year term expiring May 31, 2015

2012-04-060C

Approval of the reappointment of Chris Frasz to the Planning Commission for a three year term expiring May 31, 2015

2012-04-060D

Approval of the appointment of Tom Neidhamer as the City Commission Representative to the Planning Commission for a term concurrent with his elected term of office

2012-04-060D

Approval to adopt proclamation designating April 26, 2012 as Arbor Day in the City of Boyne City

Ayes: 4

Nays: 1, Commissioner Gaylord

Absent: 0

Motion carried

MOMENT OF SILENCE

Mayor Grunch called for a moment of silence in memory of B J Hetler, a longtime local news reporter who passed away last week.

CITIZENS COMMENTS

Jim Baumann invited everyone to attend the Business Expo that will be held on Thursday, April 26, 2012 at the former Carters building.

CORRESPONDENCE

Mayor Grunch read a letter of congratulations from Dan Benishek congratulating the City of Boyne City for receiving the Governor's Award for Historic Preservation for the 1910 Waterworks Building Project.

City Manager Cain reported:

- The Charlevoix County Board of Commissioners is expected to take action at their meeting on Wednesday, April 25 to end the assessing services contract with the Boyne City, East Jordan and Charlevoix.
- Thanks to Scott McPherson for being in charge while the City Manager attended the conference
- Joined the Mayor in expressing condolences to the family and friends of B J Hetler

The March 2012 Financial Statement was received and filed.

Consideration to concurrently approve with the Local Development Finance Authority board to contract with RSG at a cost not to exceed \$14,800 to complete a sound study as proposed for Kirtland Products and authorize the City Manager to execute the documents

Planning Director Scott McPherson provided an update for the proposed study. Initially the request for proposals covered both the noise and air emission issues of the Kirtland operation but after receiving limited responses to the request and having discussions with the DEQ, it was determined that it was best to separate the noise and emission issues and request new RFP's with the focus on the noise issues first. After review and interviews, it was determined the RSG (Resource Systems Group) be hired to identify the problem noise, make recommendations for mitigation measures, estimate costs for the mitigation measures and of the noise and estimate the expected results of the mitigation measures. The fee quoted for this work was \$14,800.

Kirtland Citizen committee member Ryan Giem provided a summary of the committee's activities, suggestion and general learned information.

Citizens Comments: None

Staff Comments: None

Board Deliberation: Mayor Pro Tem Towne said he is ready to move forward with the recommendation. Commissioner Gaylord asked if the bid specs were based on the same requirements and was informed, the bids were based on using similar equipment to perform the study. Commissioner Neidhamer asked when production at Kirtland would start again and was informed by Tom Monley that they have standing inventory and are considering additional testing for 10 hours and are open on how to do that. City Manager Cain asked if with this timeline, production could start later in the month. Commissioner Gaylord asked if this study's funding is coming from the EDC budget and couldn't they have spent the funds? City Manager said yes, but the LDFA board felt that everyone should have the chance for input even though it wasn't mandatory.

2012-04-061

Moved by Towne
Second by Sansom

CITY MANAGERS REPORT**REPORTS OF OFFICERS,
BOARDS, AND STANDING
COMMITTEES****Kirtland Products Update**

To concur with the Local Development Finance Authority board's decision to contract with RSG at a cost not to exceed \$14,800 to complete a sound study as proposed for Kirtland Products and authorize the City Manager to execute the documents.

Ayes: 5
 Nays: 0
 Absent: 0
 Motion carried

**Liquor License Transfer of
 Ownership Approval**

Consideration to approve the resolution for the requested liquor license transfer from Northern Michigan Hospitality LLC to the Thirsty Goat Hospitality, Inc., recommending approval of the request by the Michigan Liquor License Control Commission as presented and authorize the City Manager and City Clerk to complete, sign and submit the necessary documents on behalf of the City

City Manager Cain discussed the liquor license transfer request. Brian Asher of Thirsty Goat Hospitality discussed the proposed family friendly theme of the former Cooper's Pub and Grill. It is planned to have northern Michigan themed fare, working with the local Farmer's Market vendors. The upper level is planned to be open less often than the restaurant. Mr. Asher also stated that he has experience and has been involved in golf clubs / hospitality.

Staff Comments: Main Street Program Director Hugh Conklin encouraged this request. We have been waiting for an owner / operator like Brian Asher.

Citizens Comments: Jim Baumann said he agrees. It is a great concept, with experienced operators. John McCahan said he likes what he hears. The upstairs bar not being open very late is very encouraging, but he questioned the number of bars on the request and Brian Asher said they have no intent of adding two additional bars.

Board Deliberation: All Commissioners are in support with request to clarify the language on how many bars would be open in the facility.

2012-04-062
 Moved by Neidhamer
 Second by Towne

To approve the resolution for the requested liquor license transfer from Northern Michigan Hospitality LLC to the Thirsty Goat Hospitality, Inc., with clarification on the license to be communicated to City Staff the reflect the verbal intent of straight transfer of what is currently existing, recommending approval of the request by the Michigan Liquor License Control Commission as presented and authorize the City Manager and City Clerk to complete, sign and submit the necessary documents on behalf of the City

Ayes: 5
 Nays: 0
 Absent: 0
 Motion carried

**Planning and Zoning
Contracts with Township**

Consideration to approve the FYE 2012/2013 Wilson Township Planning and Zoning Contract for \$25,075.12 and the Evangeline Township Planning and Zoning Contract for \$36,207.52

Planning Director Scott McPherson discussed the proposed contracts for planning and zoning services for Evangeline and Wilson Townships. These contracts have already been approved by both of the townships and reflect a three year increase over last year's amounts. City Manager Cain added these figures reflect what was proposed in the budget. We have an excellent working relationship, also allowing us to have a level of planning expertise and skill set.

Staff Comments: None

Citizens Comments: None

Board Deliberation: Commissioner Sansom said she agrees with the recommendation and is in full support. Commissioner Gaylord said he is in favor and it is a perfect example of where we own the product and set the price, fully benefiting the citizens of Boyne City. All Commissioners are in support of the recommendation.

2012-04-063

Moved by Towne
Second by Gaylord

To approve the FYE 2012/2013 Wilson Township Planning and Zoning Contract for \$25,075.12 and the Evangeline Township Planning and Zoning Contract for \$36,207.52

Ayes: 5
Nays: 0
Absent: 0
Motion carried

**Boyne Valley EMS
Agreement**

Consideration to approve a one year agreement with Boyne Valley Township for joint operations as presented

EMS Director John LaMont discussed the proposed agreement with Boyne Valley Township. The State of Michigan has been challenged in the interpretation of a rule regarding Advanced Life Support Systems licensing and it is been ruled that to possess an ALS system license, the provider had to have a licensed transporting vehicle. This new ruling restricted Boyne City's EMS from the ability to meet our community's needs. Each patient would have had to have a paramedic on board during transport. To Boyne City, this would mean a dependence on an outside agency for additional coverage, increased cost and a delay in our patient care. The choices for Boyne City were to reduce our staffing coverage or increase our operation costs by increasing our staffing coverage to provide two paramedics. Prior to October, 2010, Boyne City EMS responded with two basic EMT's and a paramedic. After October, our staffing was one EMT and two paramedics, increasing stand by costs of staffing by \$100.00. Over the past 18 months, a committee was established between Boyne City and Boyne Valley Township to explore the possibilities of again working together collaboratively. Both City

and Township officials expressed concerns that they were being required to bear the cost of providing service and the remaining township communities being provided service were below an equitable share in cost of delivery. Meetings with the Township Supervisors were held and a consensus was reached to utilize a sliding formula of dwelling and a three year history of utilization of service. The proposal is to have a separate one year agreement with Boyne Valley Township that is different from the agreement with the other served townships, along with reconfiguring some response areas. The change will reduce the City's cost of delivery because of the distance traveled to respond to a request for service. Operational costs will be reduced as well.

Each community will provide back up to support each other, allowing a greater flexibility to meet multiple calls and / or patient needs. All revenues will be centrally deposited with expenses being paid through cost centers allowing the ability to demonstrate each areas direct costs. Each community will be responsibility for their own equipment, direct costs, provide housing for the staff and equipment.

This proposed agreement will have a 180 day written notice termination clause.

City Manager Cain said this is not a first, but a continuing step. We are now a well respected EMS service. Two together will be stronger, adding additional equipment. This is a trust building method, very comparable to what was done with the Planning department. Clerk / Treasurer Grice also voiced support of the proposed agreement.

Citizens Comments: None

Board Deliberation: Mayor Pro-Tem Towne said the bottom line is improved service, cost efficiency and he is in full support. Commissioner Gaylord referred to section 4-2 regarding staff employment and if we would assume liability for all staff under that license. John LaMont said it would be single collection / staff employment system, leasing the personnel. Funds will be paid by Boyne Valley Township. Commissioner Gaylord asked how Boyne Valley is funded and Bruce Giem from Boyne Valley Township EMS said by a millage. Bruce Giem also added that the communities are the main beneficiaries of this agreement, one license, two stations using the closest truck concept. The second truck would then be staffed and available, allowing two ALS vehicles available for the community. This provides depth to the service and community in an economical manner. Commissioner Gaylord said depth by adding paramedics you couldn't afford? Bruce Giem said this agreement would provide immediate depth to both communities. Commissioner Gaylord asked John Lamont what the ultimate goal with the ambulance is? John LaMont responded that this is the ultimate goal – quality of care. Boyne Valley Township said they are not in favor of any type of ambulance authority and previously Boyne City was not in favor.

Commissioner Sansom said she is in favor of whenever we can cooperatively provide good service. Commissioner Neidhamer said he is in support. Mayor Grunch said he is in support, the City's General Fund contribution will be reduced and based on utilization. He added that he also like the indirect cost comment on the contract. This helps us not get stuck with a big bill, it can be modified annually. We can have state of the art

equipment, and this is fair apportionments of costs. Commissioner Gaylord asked what the cost is for Boyne Valley to fully outfit the staff? Bruce Giem said probably additional \$25,000 to \$30,000 for a paramedic. They do not staff two trucks right now. Between the two services with 800 calls, this agreement is in the best interest of both communities to try this. It will not lower the level of care to each go on their own, but would increase the costs. Boyne Valley Township does not operate an ALS truck.

2012-04-064

Moved by Neidhamer
Second by Towne

To approve a one year agreement with Boyne Vailey Township for joint operations as presented

Ayes: 4

Nays: 1, Commissioner Gaylord

Absent: 0

Motion carried

Consideration to approve the FY 2011/2012 budget amendments in compliance with accounting and budgeting standards

**FY 2011/2012 Budget
Amendments**

Clerk / Treasurer Grice discussed the budget amendments that were presented.

Staff Comments: None

Citizens Comments: None

Board Deliberation: All were in agreement

2012-04-065

Moved by Towne
Second by Gaylord

To approve the FY 2011/2012 budget amendments in compliance with accounting and budgeting standards

Ayes: 5

Nays: 0,

Absent: 0

Motion carried

Consideration to approve the placement of sidewalk on the south side of Vogel Street from the Brook Development entrance west to the intersection of Hannah Street and authorize the City Manager to sign any required documents

Vogel Street Sidewalk

Public Works Superintendent Andy Kovolski discussed the proposed sidewalk project. Maps were provided to the Commissioner showing the proposed sidewalk site. The project has been discussed at the Planning level and was supported as well.

Staff Comments: None

Citizens Comments: Joan Stevens, a resident of the project area said they are very excited that it is going on the south side of the road and would love to see the sidewalk go all around Rotary Park. Rotary Park originally had a fitness trail.

Board Deliberation: All are in support of the project.



2012-04-066

Moved by Towne
Second by Sansom

To approve the placement of sidewalk on the south side of Vogel Street from the Brook Development entrance west to the intersection of Hannah Street and authorize the City Manager to sign any required documents

Ayes: 5
Nays: 0,
Absent: 0
Motion carried

Consideration to approve the amendments to the Fixed Asset Capitalization Policy to include Intangible Assets per GASB Statement 51.

**Fixed Asset
Capitalization Policy
Amendment**

Clerk / Treasurer Grice discussed the proposed amendment. This is a requirement of GASB Statement 51 for local units of government to recognize intangible assets and report them as necessary. The auditors have reviewed this policy amendment and are in support that it meets the GASB requirement.

Staff Comments: None

Citizens Comments: None

Board Deliberation: All are in support.

2012-04-067

Moved by Sansom
Second by Towne



To approve the amendments to the Fixed Asset Capitalization Policy to include Intangible Assets per GASB Statement 51 as presented

Ayes: 5
Nays: 0,
Absent: 0
Motion carried

Consideration to approve Great Lakes Comnet, Inc.'s proposed METRO Act permit and agreement as presented and authorize the City Manager to sign and return the necessary documents to implement this action as required by State law

Metro Act

City Manager Cain discussed the request from Great Lakes Comnet, Inc to approve a Right of Way Telecommunications permit. This permit would allow them to run their communications lines, fiber or otherwise in the City's road right of ways. They are initially making this request to provide services

to the Boyne Area Medical Center and are looking at this point, to build a very small system about half a block east and west of South Park Street on North Street. They look to be installing a rather large utility cabinet in the right of way on North Street adjacent to the Medical Center's parking lot. We have worked with the firm to put it in a location to minimize its impact and are not aware of a way to prohibit them.

Citizens Comments: None

Staff Comments: None

Board Deliberation: Mayor Pro-Tem Towne agrees. Commissioner Gaylord asked if this is something the Medical Center procured and City Manager Cain said he understands the Medical Center made the arrangements with this company. Commissioner Sansom asked if they string new lines and was informed that this will be bored underground. City Manager Cain added the look of the box will be softened to minimize the effect. Commissioner Neidhamer asked if this is a necessary contract with future broadband.

2012-04-068

Moved by Towne
Second by Gaylord

To approve Great Lakes Comnet, Inc.'s proposed METRO Act permit and agreement as presented and authorize the City Manager to sign and return the necessary documents to implement this action as required by State law

Ayes: 5
Nays: 0,
Absent: 0
Motion carried

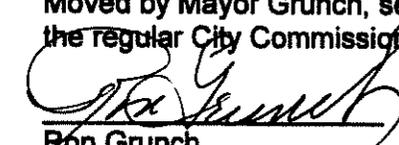
Commissioner Gaylord requested clarification on the appointment of Commissioner Neidhamer to the Planning Commission and said he would have automatically abstained if it had been him. Mayor Grunch asked if staff could follow up on the poor condition of the ATT and Charter cable boxes around town.

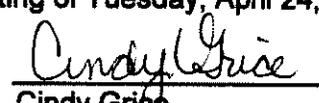
Good of the Order

City Manager Cain said the first test of the severe weather siren will be Tuesday May 1 at noon.

Moved by Mayor Grunch, seconded by Mayor Pro-Tem Towne to adjourn the regular City Commission meeting of Tuesday, April 24, 2012 at 9:12 p.m.

ADJOURNMENT


Ron Grunch
Mayor


Cindy Grice
Clerk / Treasurer