

**AUGUST 14, 2018
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 AUGUST 14, 2018

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 Ron Grunch, Commissioners Hugh Conklin and Dean Solomon

Absent: Commissioner Page

Staff: Michael Cain, Cindy Grice, Scott McPherson, Andy Kovolski, Kevin Spate, Mark Fowler, Kelsie King-Duff and John Lamont

Others: There were 16 citizens in attendance including a representative from the Petoskey News Review.

**EXCUSE
COMMISSIONER PAGE**

2018-08-089
Moved by Neidhamer
Second by Grunch

To excuse Commissioner Page from attending today's meeting.

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

**CONSENT AGENDA
MOTION**

2018-08-090
Moved by Conklin
Second by Solomon

Approval of the July 24, 2018 City Commission regular meeting minutes as presented
Approval of the August 7, 2018 City Commission Goal Setting Work Session minutes as presented
Approval to purchase and install four methane vents for the old City Landfill from Elmer's in the amount of \$4,800 and authorize the City Manager to execute the documents
Approval to award the commitment package contract to ATA National Title Group LLC in the amount of \$4,025 for the Open Space property closing and allow the City Manager to sign the necessary documents
Approval to allow Floation Docking Inc. to install the water lines within the dock at a cost of \$9,500 and allow the City Manager to execute the necessary documents

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

CITIZENS COMMENTS

Friends of the Boyne River President Adam Kennedy discussed the success of the promotions for not tossing balloons at the July 4th river raft race. It has been a huge success in the reduction of balloon parts in the river and the environment.

Chamber Director Ashley Cousens announced two ribbon cuttings this week and also a newly formed Boyne Housing Solutions meeting on August 29 at 1 p.m.

CORRESPONDENCE

None

CITY MANAGERS REPORT

City Manager Cain reported:

- We had 847 voters at the Primary election last week
- The marina expansion project began this week.
- The John Deere ATV has arrived and is now in service
- Preliminary report is that the first Piratefest went very well
- The fall rubbish collection begins next week

REPORTS OF OFFICERS, BOARDS AND STANDING COMMITTEES

Draft minutes of the July 9, 2018 EDC Board Meeting; the July 9, 2018 LDFA Board Meeting; the July 16, 2018 Planning Board Meeting; the July 19, 2018 Historic District Commission Board Meeting and the July 26, 2018 Airport Advisory Board Meeting were received and filed.

West Michigan Water Extension Special Assessment Roll

Consideration to approve the proposed West Michigan Woodland Water Main project special assessment roll.

City Manager Cain discussed the proposed roll for the West Michigan/Woodland Water Main Project special assessment district. Since our last meeting, there have been additional discussions with members of the Herzog family who own both 613 and 615 West Michigan. After a meeting last week with staff, the Herzog family stated via email they would like the 613 West Michigan left off on the roll. We are now inclined to include 615 on the roll. Based on the information we have to date, it seems appropriate that the roll be corrected by keeping 615 West Michigan as one of the assessed and paying properties and that 613 West Michigan be left off the roll.

Staff Comments: None

Citizens Comments: Dan Wollshlager said he is happy with the progress and end results we are looking at today. He added that he wants to make sure the contractor gives them a fair price when making the connections to the water main. He would like an exclusion that allows them to do it at the time the ground is open, not incurring additional costs.

Dick Sarchet thanked City staff and Dan Wollshlager for putting this together.

Board Discussion: All Commissioners agreed with the recommendation to include 615 West Michigan on the roll and would like to see resolution on the 613 West Michigan situation.

Larry Fox from C2AE added that there will be a pre-construction meeting to assist the residents.

MOTION

2018-08-091

Moved by Solomon

Second by Conklin

To correct and confirm the proposed West Michigan / Woodland Water Main project special assessment roll to reflect the lower project costs with the inclusion of 615 West Michigan as recommended

Ayes: 4

Nays: 0

Absent: 1, Commissioner Page

Motion carried

**West Michigan /
Woodland Water
Extension Project Bids**

Consideration to approve the contract for the Michigan / Woodland Water Main extension project to Matt's Underground in the amount of \$279,981.25 and authorize the City Manager to execute the documents

City Manager Cain discussed the recommendation to contract with Matt's Underground in the amount of \$279,981 after rebidding the project to include direction drilling. Based on the bid prices, contractor's qualifications and proposed schedule, we are making this recommendation.

Staff Comments: None

Citizens Comments: None

Board Discussion: All are in agreement with the recommendation.

MOTION

2018-08-092

Moved by Conklin

Second by Grunch

To approve the contract for the Michigan / Woodland Water Main extension project to Matt's Underground in the amount of \$279,981.25 and authorize the City Manager to execute the documents

Ayes: 4

Nays: 0

Absent: 1, Commissioner Page

Motion carried

**Sanitary Sewer and
Storm Sewer CCTV**

Consideration to approve the contract for the SAW Sanitary Sewer and Storm Sewer CCTV to Elite Pipeline Services in the amount of \$334,675.00 and authorize the City Manager to execute the documents

City Manager Cain discussed the bids received for the SAW sanitary sewer and storm sewer CCTV project. The low bid was

received from Elite Pipeline Services of Allendale Michigan in the amount of \$334,675. The low bid is very close to the allotted SAW program CCTV budget. References were reviewed and indicate they are qualified to complete this project. This work is being funded through the SAW grant from the MDEQ.

Staff Comments: None

Citizens Comments: None

Board Discussion: All are in agreement with the recommendation. Commissioner Conklin added that it's good the State realized that communities needed this kind of help.

MOTION

2018-08-093

Moved by Grunch

Second by Conklin

To approve the contract for the SAW Sanitary Sewer and Storm Sewer CCTV to Elite Pipeline Services in the amount of \$334,675.00 and authorize the City Manager to execute the documents

Ayes: 4

Nays: 0

Absent: 1, Commissioner Page

Motion carried

Second Reading for 402 State Street Conditional Rezoning

Consideration of a second reading and approval of a conditional rezoning for Parcel #15-051-250-019-00 from Traditional Residential District to Professional Office District .

Planning Director Scott McPherson discussed the proposed conditional rezoning offer for property located at 402 State Street. This parcel is on the southeast corner of State and Jefferson Streets. The parcel is 60' x 132 with 60' of frontage on State Street and 132' of frontage on Jefferson Street. The properties adjacent on all sides are zoned TRD with the parcels to the south, east and west and being used for single family dwellings. The properties to the north are being used for a church and a pre-existing nonconforming commercial use. The subject parcel has an existing vacant 20' x 28' structure that was previously used for a nonconforming commercial use that has been abandoned

The subject parcel has been unused for many years and the existing building has not been maintained and is in need of significant repair. While the property does have a history of commercial use, any associated nonconforming rights with that use have clearly been abandoned. Over the years there have been several inquiries about potential uses for the structure and property. These inquiries were mostly for some type of commercial activity that could not be permitted due to the current zoning. The conditional zoning offer stipulates that the existing building will be repaired and renovated but will not be enlarged in any way. The property will be used for a professional office featuring insurance, finances, investments and similar services. If the property is

transferred to another owner, a similar professional office use may continue or the parcel will be converted to residential use. If the conditional zoning is approved a development plan specifically detailing the all site improvements to include building improvements, landscaping, storm water runoff, parking, and site access would need to be submitted for approval by Planning Commission.

The future land use plan designation for the property is Neighborhood Residential and the goals of the master plan do not appear to specifically support this request. The City Commission should keep in mind that the master plan is intended to serve as a guide that should be used to help determine land uses and development policies that affect the community's physical development. It defines general planning goals, policies and action plans that provide a philosophical base for use by the City as it guides future growth and land use in Boyne City. Because it is a guide, the master plan is not intended to be rigidly administered, changing conditions in the community may affect the goals and philosophy established when the plan was originally developed.

In this case a strong argument can be made that the proposed conditional zoning request is a spot zone. The Commission should be aware that spot zoning approvals are difficult to defend against legal challenges and can also weaken the City's ability to deny similar future requests that are unsupported by the Master Plan. While improving the property from its current state is appealing, the City Commission should carefully consider the potential ramifications of taking actions contrary to the Master Plan. It is advised that if the proposed zoning is approved the Master Plan should be amended to reflect this policy change that is not currently supported by the plan.

It should be noted that since the first reading of the proposed ordinance amendment it has been brought to the attention of City Staff that another interested party has made an offer on the property and has plans to improve and use the property for residential use.

The proposed conditional zoning offer includes little in regards to conditions beyond the normal requirements of the zoning ordinance and appears to be a spot zone. Currently there is another purchase offer for the property from a party with the intent to improve and use the property for conforming residential purpose. Given these facts the proposed ordinance amendment is not recommended for adoption.

Kyle Mills, representing the requestor said it is a perfect building to put a two room office in. It will be a quick way to do something with the property. Ron Mills added there will be one person in the office most of the time.

Citizens Comments: None

Staff Comments: City Manager Cain said he supports Scott's recommendation.

Board Discussion: All Commissioners are in support of the Planning Director's recommendation to deny the conditional rezoning offer.

MOTION

2018-08-094
 Moved by Grunch
 Second by Solomon

To deny the conditional rezoning request for 402 State Street

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

Boyne Valley Trailway Easement

Consideration to approve easement language with Lexamar for construction of the Boyne Valley Trailway as presented and authorize the City Manager to execute the document.

Planning Director Scott McPherson discussed the proposed Boyne Valley Trailway Easement between Lexamar and the City. While the location of the trail is primarily on City owned property, it does include a few locations where easements are required to cross private property. Normally easements for trails or similar purposes are routinely executed without prior review by the City Commission, however in this case, representatives from Lexamar have placed conditions in the easement that would limit the City's ability to require landscaping of the Lexamar property to screen the property from the trail. Given this requirement and potential implications for the future, this easement is being brought to the City Commission for review.

Staff Comments: None

Citizens Comments: None

Board Discussion: All are in agreement with the easement language.

MOTION

2018-08-095
 Moved by Conklin
 Second by Grunch

To approve easement language with Lexamar for construction of the Boyne Valley Trailway as presented and authorize the City Manager to execute the document

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

Hiring of City Assessor Consideration to hire Up North Assessing to provide Citywide Assessing services

City Manager Cain stated that up until 2012 assessing services for Boyne City had been provided by the Charlevoix County. At that time Charlevoix County told us, as well as East Jordan and Charlevoix, that they would no longer provide those services. Working together the three cities sent out RFPs and sought a firm that could provide the services for hopefully all of us. After interviewing several of the firms that responded we hired Debra Chavez and her firm DC Assessing for a three year term. That agreement was renewed by all three communities for another three year term. That term expires on August 31st of this year.

Working together again our three cities again sought proposals for providing these services. A copy of the RFP and the responses were provided earlier with the agenda packet. Deb Chavez will be 'retiring' again at the end of their arrangement with our communities and as such DC Assessing did not submit a proposal to extend their services. Three of the four firms that submitted proposals were interviewed by representatives of the three communities and the Charlevoix County Equalization Department, which the Assessor for our communities will have to work closely with. Both Cindy Grice and I participated in the group interviews with the firms.

It was the unanimous opinion of all those who participated in the interviews that we should retain the services of Up North Assessing, Inc. of Cheboygan, MI. References were checked and came back fine.

Throughout this latest process the City of Charlevoix made it clear that they were looking at other options to meet not only their assessing but other needs, like GIS, as well. After the interviews and in consultation with us and East Jordan, Charlevoix is in the process of hiring Joe Lavender of Up North Assessing, Inc. as a full time employee to serve as their assessor and perform other duties as well. This will not prevent him and Up North Assessing, Inc. from meeting the needs of us, East Jordan and possibly some other communities as well.

While this is a slightly different arrangement than has been used over the past six years all three cities believe that this mutual arrangement is the best one for us at this time.

Currently we have \$58,000 budgeted for these services in account 101-209-818 as shown on page 2-4 of our current budget. Up North Assessing's proposal specifies costs of \$60,000, \$61,200 and \$62,400 during the three years of the proposed term, which is scheduled to begin on September 1st of this year. This slight difference can be adjusted toward the end of our fiscal year.

We are recommending that the City Commission approve the hiring of Up North Assessing, Inc. and Joe Lavender as Boyne City's City Assessor and authorize the City Manager and City Clerk to execute the necessary documents

Staff Comments: All are in agreement

Citizens Comments: None

Board Discussion: After discussion of time and availability, all Commissioners are in agreement with the recommendation.

MOTION

2018-08-096

Moved by Conklin

Second by Solomon

To approve the hiring of Up North Assessing, Inc. and Joe Lavender as Boyne City's City Assessor and authorize the City Manager and City Clerk to execute the necessary documents

Ayes: 4

Nays: 0

Absent: 1, Commissioner Page

Motion carried

Water Production Well #2 Service

Consideration to hire Peerless Midwest to over haul the pump motor and clean the well and casing of Well House #2 at a total estimated cost of \$34,100 and authorize the City Manager to execute the documents

Water / Wastewater Superintendent stated that we discovered water coming out of a small crack in the back of the foundation at well house #2 which is the first well south of the 1910 Building off of Division Street. This is our main water production well for our south wellfield. The water would only come out while the well pump was running and after it had been on for a couple of hours. We thought there may be a crack in the well casing. So, we contacted Peerless Midwest to have them come check it out. They pulled the pump and televised the well.

They did not find any cracks in the casing that would cause the water to come out from the foundation. They believe that the water coming out the back of the building is from the floor drain. The pump seal water drains through the floor to a small gravel pit under the building. The static water level when they pulled the pump is at 2.8 ft. So the thought is after the pump has been running for a couple of hours and with the ground water table so high the discharged seal water can't soak into the ground and is coming out through the crack.

The televising found some other issues though. There are large portions of the screen that are completely plugged and there is about 5 feet of sediment in the bottom of the well. A quote for cleaning and pump/motor overhaul was provided in the amount of \$34,100. This includes \$7,300.00 we have into the project so far for the pulling and reinstalling of the pump and the televising of the casing which has been done. The pump and motor overhaul is estimated at \$14,300 and the cleaning of the well and casing is \$12,500.

The last time the pump and motor were overhauled was 2005 by Peerless. There are no records of the well and casing having ever been cleaned. Currently the pump is still out and at Peerless Midwest awaiting our decision. Peerless has been doing all the well work for the City for the past 18 years and my experience with them over the years has always been positive. They have always been fair and reasonable. I do not see any advantage for the City to bid the work at this point in the matter.

Doing the entire project will use up the rest of the maintenance money in the water budget for the year. But, the casing needs to be cleaned and they already have the pump pulled which will keep us from having to spend that money again if we were to do it at a later date.

Staff Comments: None

Citizens Comments: None

Board Discussion: After discussions on budget impact, all are in agreement with the recommendation

MOTION

2018-08-097
Moved by Solomon
Second by Conklin

To approve to hire Peerless Midwest to over haul the pump motor and clean the well and casing of Well House #2 at a total estimated cost of \$34,100 and authorize the City Manager to execute the documents

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

Good of the Order

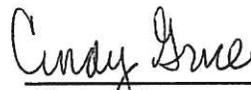
None

ADJOURNMENT

Motion by Mayor Neidhamer to adjourn the Regular City Commission meeting of Tuesday, August 14, 2018 at 8:53 p.m.



Tom Neidhamer
Mayor



Cindy Grice
Clerk / Treasurer