

**SEPTEMBER 24, 2013
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 SEPTEMBER 24, 2013 AT 7:00 PM

CALL TO ORDER

Mayor 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 Laura Sansom, Tom Neidhamer and Derek Gaylord

Staff: Cindy Grice, Michael Cain, Scott McPherson, Barb Brooks, Hugh Conklin, Dan Meads, Jeff Gaither and Andy Kovolski

Others: There were 9 citizens in attendance, including representatives from the Charlevoix County News and Petoskey News Review

**CONSENT AGENDA
~~MOTION~~**

2013-09-119
Moved by Towne
Second by Gaylord

2013-09-119A
Approval of the August 27, 2013 City Regular City Commission meeting minutes as presented

2013-09-119B

Approval of recommendation to reappoint Larry Trumble as ex-officio to the Airport Advisory Board for a three year term expiring September 24, 2015

2013-09-119C

Approval of recommendation to reappoint Bud Chipman as ex-officio to the Airport Advisory Board for a three year term expiring September 24, 2015

2013-09-119D

Approval of recommendation to reappoint James Kozlowski as ex-officio to the Airport Advisory Board for a three year term expiring September 24, 2015

2013-09-119E

Approval of recommendation to reappoint Ed Hennessy to the Airport Advisory Board for a three year term expiring September 24, 2015

2013-09-119F

Approval to award bid to supply ice control sand to R & B Excavating of Boyne City in the amount of \$12,750 and authorize the City Manager to execute the documents, also noted by Commissioner Gaylord that the City went out for bids for this

Ayes: 5
Nays: 0
Absent: 0
Motion carried

CITIZENS COMMENTS

Ron Crozier noted that new grout has been placed along with 30 new pieces of slate at the Veteran's Memorial. The star grout has been replaced to stand out further. Also, the lighting of the monument at the cemetery has been complete. The monument has been cleaned. Mayor Grunch and the City Commissioners thanked Mr. Crozier for his work and everything that he and his group have done.

None

CORRESPONDENCE

 City Manager Cain reported:

- The City Attorney filed a Motion for Reconsideration looking for clarification and/or a reversal of the circuit courts ruling on the Kirtland matter.
- A new potentially free way to receive local emergency information has been announced by CCE Office of Emergency management called BE ALERT. Subscribers can get emergency notices by their choice of phone calls, emails, text and / or paging messages.
- We met with Garden Club representatives who are requesting financial assistance for future planting around the community. We anticipate incorporating their request into next year's proposed budget for consideration.
- A new traffic control order has been issued today changing the 15 minute parking spaces on the west side of East street just south of Water street to match the two hour parking in that area. This will come before the City Commission in January for formal consideration.
- The Marina's Blue Thunder pickup truck is being prepared to be positioned at the airport as a courtesy vehicle.
- Several representatives of the City including himself and Mayor Grunch will be attending the Tip of the Mitt Watershed event this week.
- We will be meeting this week with people interested in developing a Dog Park facility in the City. This matter has been under review by the Parks and Recreation Commission who support the concept.
- We are investigating the possibility of allowing CCE 911 to place a tower near our north Boyne wells to help address communication issues that have resulted since implementing radio frequency narrow banding as required by FCC.
- Last week staff was introduced to the Trail Town concept by a representative of the Land Information Access Association which serves 22 counties of Northern Michigan. This is an economic development tool with many similarities to Main Street except it is focused on trails for bikes, snowmobiles, horses, watercraft, etc.
- We are getting ready for our winter newsletter. If you have suggestions of topics, please let us know.
- We are working our way through the Affordable Care Act and a couple of insurance companies to chart the best course for the City and its employees.
- Preliminary arrangements are being made to hold our bi-annual Community Goal Setting and Joint Board & Commission meeting in January and February of 2014.
- Absentee ballots are available in the Clerk's office for the November 5th City Commission election.

CITY MANAGERS REPORT

The August, 2013 Financial Statement; draft Minutes of the August 1, 2013 Main Street Board Meeting; draft Minutes of the August 8, 2013 Parks & Recreation Commission Meeting; draft Minutes of the August 19, 2013 Planning Commission Meeting; and draft Minutes of the August 29, 2013 Airport Advisory Board Meeting were received and filed.

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

**SAW Grant Services /
Application**

Consideration to approve an agreement with C2AE in the amount of \$4,000 for assistance to prepare and submit a SAW grant application for the City of Boyne City

Water / Wastewater Superintendent Dan Meads discussed the Stormwater Asset Management, Wastewater Grant and Loan Program (SAW). Municipalities are eligible for up to two million dollars of grant funding with a 10% match on the first million and a 35% match on the second, so the City could get up to two million dollars in approved projects for an outlay of \$350,000 in local funds. The grant process will begin in October with an application filing deadline of December 2, 2013 and will be issued on a first come first serve basis. Larry Fox from C2AE has submitted a proposal for services to prepare a grant application for \$4,000. The SAW grant provides funding for both stormwater and wastewater, the development of a stormwater management plan and planning and design of projects identified in the management plans. It will also cover a wastewater user charge system review. Up to 90% of the engineers grant fee may be eligible for reimbursement if we successfully obtain the grant.

Larry Fox from C2AE added that GIS Hardware, software and training are also eligible under this program. Televising our current lines is eligible as well. City staff work done is also reimbursable.

Staff Comments: Planning Director Scott McPherson agrees with the recommendation. Our GIS needs to be updated. Andy Kovolski agrees.

Citizens Comments: None

Board Deliberation: Commissioner Neidhamer is in full support of following thru with this recommendation and noted that he appreciates the knowledgeable staff. Mayor Pro-Tem Towne said he supports the recommendation and sees it as another way to get grant funds. Commissioner Gaylord inquired when the lines were last televised and was informed that it was never completely done. Commissioner Gaylord asked if we don't already have an asset management plan and was informed that the plan we do have is basic and we will be required to have a more detailed plan in the future. Larry Fox added that in 2002 voters approved a bond, but the state did not use all of the funds. Commissioner Gaylord inquired how we currently do not have a back up of our maps and was told they were stored on CD's, but need to be stored digitally because of the shorter life span of a CD. Commissioner Gaylord added that it makes sense to have all data stored in one place.

Commissioner Sansom said she is in favor of this recommendation. It is valuable to have it in place and can meet a lot of our needs. Is there any technologically available that we can use to remove drugs from our wastewater system. Dan Meads said yes, using innovative technology. Mayor Grunch added that he is in full support of this recommendation.

2013-09-120

Moved by Neidhamer
Second by Sansom

MOTION

To approve an agreement with C2AE in the amount of \$4,000 for assistance to prepare and submit a SAW grant application for the City of Boyne City

Ayes: 5
 Nays: 0
 Absent: 0
 Motion carried

Consideration to authorize staff to prepare and submit an application to the MEDC for the current round of DIG funding for the reconstruction of South East Street from Main to Ray and Ray Street, fine tuning as necessary to provide the most competitive and beneficial package for the community

**MEDC Downtown
 Infrastructure Grant
 Opportunity (DIG)**

City Manager Cain discussed the MEDC Downtown Infrastructure Grant (DIG) opportunity. In mid August, the MEDC announced their latest round of grants. We most recently received a DIG grant for the Park Street reconstruction project. Part 1 applications for this grant round are due on October 1. Communities that are successful will be sent letters offering them to proceed with the process on November 1. Successfully completed grant agreements are scheduled to be executed in February, 2014 with projects to be complete in December of 2014. Staff is recommending that we apply to reconstruct East Street through the Main Street intersection to Ray Street and both blocks of Ray Street at an estimated cost of \$855,800. We would try to save and reuse good quality curb and sidewalk where possible.

Staff is further researching whether it is possible and would like to tie the project we have been lining up to bury the utilities in the alley behind the 100 block of Water Street into the project. The more we match, the more points we match, but we are not prepared to ask for 50%.

Staff Comments: Public Works superintendent Andy Kovolski said we should proceed. Storm sewer underground needs work. Main Street Director Hugh Conklin said he strongly encourages this. We are eligible because we are low to moderate income. Water/ WW Superintendent Dan Meads agreed.

Citizens Comments: None

Board Deliberation: Mayor Pro-tem Towne said he all for keeping up with infrastructure. Regarding the section between Ray and Water Street, is there any impact in the future. City Manager Cain said we put stubs out in case we have to do this again. Commissioner Gaylord said he thinks we should finish that area off. We're in a position we can make this happen. City Manager Cain said even if we don't get this, we are in a better position for another round. Commissioner Sansom said she is all in favor of underground infrastructure. Commissioner Neidhamer and Mayor Grunch stated they are in favor of the recommendation.

2013-09-121
 Moved by Towne
 Second by Gaylord

MOTION

To authorize staff to prepare and submit an application to the MEDC for the current round of DIG funding for the reconstruction of South East Street from Main to Ray and Ray Street, fine tuning as

necessary to provide the most competitive and beneficial package for the community

Ayes: 5
Nays: 0
Absent: 0
Motion carried

Consideration to support a grant application to the Charlevoix County Community Foundation for funds to support the Veteran's Park Pavilion project.

**Community Foundation Grant
for Veteran's Park Pavilion**

Main Street Program Manager Hugh Conklin discussed the grant Boyne City has received for \$12,500 from the MEDC for the Veteran's Park Pavilion project. The grant is for up to \$12,500 and requires a dollar-for-dollar match. The project's purpose is to develop architectural designs and cost estimates to expand and retrofit Boyne City's Veteran's Park pavilion into a multi-activity structure, including use as a permanent winter farmer's market location. A key component of this process will be engaging the community so all interests and uses are considered. One opportunity for additional funding is thru the Charlevoix County Community Foundation. Their staff said the project meets the foundation's criteria and it would be appropriate for us to submit a grant application requesting no more than \$5,000. Application deadline is October 1. The Main Street board supported this opportunity.

Staff Comments: City Manager Cain said he agrees. Some people in the community are excited about this project and he is hearing positive comments.

Citizens Comments: None

Board Deliberation: Commissioner Gaylord said this is the grant that was submitted without approval of the Commission. He has only heard comments about getting the restrooms fixed. He inquired of Hugh Conklin where the funding would be matched from if we do not receive this grant and was informed that the Farmer's Market has been fundraising for this project. Main Street also has funds. The bathrooms would be included in this design. Commissioner Sansom said she has heard positive feedback from a lot of people. Commissioner Neidhamer agrees with Commissioner Sansom and is in support. Mayor Pro-Tem Towne said he is in favor of the most and best possible use of our parks.

2013-09-122
Moved by Towne
Second by Neidhamer

MOTION

To support a grant application to the Charlevoix County Community Foundation for funds to support the Veteran's Park Pavilion project.

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

Consideration to allow Abonmarche prepare and submit, on the City's behalf, a joint DEQ / USACE permit application for renovation and expansion of the City's marina, approve the \$500 application fee and authorize the City Manager to execute the required documents

Harbormaster Barb Brooks discussed the concept plan, slightly revised from when it was last seen in 2010 for consideration to submit a part of a joint MDNRE and USACE marina expansion permit. This current proposal is based on a culmination of project documents and discussions such as the original approved plan used for the 2007 permit application and the DEQ basis for denial and taking into consideration the changes in our community and economy.

Representatives from the DEQ favored most of the ideas in the concept and felt with some minor tweaking, it was a permissible project. Once we retained Abonmarche for engineering services, they adjusted the plans to fit standard State and Federal guidelines and went back to the table with the DEQ, who while expressing they still believed the proposed project was a permissible one, we ended up in discussions about dredging due to low water levels. Dredging was not included in the original application and is beyond the scope of what was felt to be a minor change, so it was suggested that we start over with a new permit.

We now feel these plans will be ready to submit as working plans for a new joint DEQ / USACE permit application. The proposed plan is a result of starting with what was most acceptable to the community and working through the permitting process with the MDNRE. This plan could be built in phases as need and funding allowed. Any major variation or changes to this plan would change the scope of work beyond our engineering contract and will result in incurring additional engineering costs. A public hearing was held prior to the meeting this evening.

Dan Dornbos from Abonmarche discussed the process that has been ongoing for approximately 10 years. We have tried to address the DEQ's concerns. A slide presentation was given showing the phases of the proposal.

Staff Comments: None

Citizens Comments: Jim Baumann said he went to the presentation earlier this evening. There are no risks in doing what we're doing, by spending the \$500. Any implementation is up to the Commission. We will see all other projections as time goes on. He encouraged the Commission to take this step. Mike Sheehan said it is very important to understand the economics. This end of the lake is beginning to fill up again. We will also need to look at more parking and need to move rapidly.

City Manager Cain stated that two emails have been received in support of the recommendation.

Board Deliberation: Commissioner Neidhamer said to maximize any City assets we have. We have talked about it for many years.

At that point, we address the issues, pursue grants, tweak the design. He is in full support to proceed with the application process. Mayor Pro-Tem Towne said we should move forward. Commissioner Gaylord said he has nothing against boats. He voted to approve improvements. We in Boyne City are doing fairly well, unfortunately the country is not. He has heard over and over just because we apply, we don't have to build it. That doesn't make any sense. Also this evening we heard of other areas in town that need assistance and repair. Is this the time to do this? At this time, he cannot support this. It's probably good if we sit and think about it, look at where our finances are going to be used. It is not the appropriate time right now.

Mayor Grunch said we have the proposal of what it could look like. Financially it will have to pay for itself. Having a business plan in place so when the opportunity presents itself. He agrees that needs come first. Commissioner Gaylord said it is still going to take a financial plan.

Commissioner Neidhamer said he thinks we can be ready for it all; infrastructure, facilities, paved streets. Its our responsibility to be as ready as we can in every aspect on every single project. A marina is a huge economic engine. Commissioner Sansom said she likes the idea of going forward. It's necessary to make major repairs or design something better for the people in the community. We can't ignore everything else. She agrees with Commissioner Neidhamer, we should be ready. We can do it in stages and the permit's good for five years. We might as well do it right. Barb has put in a lot of work on it and she is in full support.

MOTION

2013-09-123

Moved by Neidhamer

Second by Sansom

To allow Abonmarche prepare and submit, on the City's behalf, a joint DEQ / USACE permit application for renovation and expansion of the City's marina, approve the \$500 application fee and authorize the City Manager to execute the required documents

Ayes: 4

Nays: 1, Commissioner Gaylord

Absent: 0

Motion carried

2013-09-124

Moved by Grunch

Second by Gaylord

Brief Recess

MOTION

To recess for 5 minutes at 9:15 p.m.

Ayes: 5

Nays: 0

Absent: 0

Motion carried

2013-09-125
 Moved by Grunch
 Second by Gaylord

Reconvene Meeting
MOTION

To return to open session at 9:25 p.m.

Ayes: 5
 Nays: 0
 Absent: 0
 Motion carried

Consideration to authorize the City Manager and City Clerk to take the steps necessary to renew the City's liability insurance through the Michigan Township Participating Plan for 2013-2014 for an estimated price of \$62,351 and plan on seeking quotations for the 2014-2015 insurance year.

Property and Liability
Insurance Coverage Renewal

City Manager Cain discussed the proposal from Paul Olson with the Michigan Township Participating Plan. Since 2005, when the City switched our policy from The Michigan Municipal League, we saved approximately \$247,537. We have been very happy with the services provided and they continue to provide outstanding service and coverage. They are very easy to work with.

Paul Olsen from the Michigan Township Participating Plan was available to answer any questions. The increase from the prior year was close to 4% overall.

Staff Comments: None

Citizens Comments: None

Board Deliberation: Commissioner Gaylord inquired about the fleet schedule and if there are any trends in the loss runs. All Commissioners are comfortable with moving forward with the recommendation.

MOTION

2013-09-126
 Moved by Towne
 Second by Gaylord

To authorize the City Manager and City Clerk to take the steps necessary to renew the City's liability insurance through the Michigan Township Participating Plan for 2013-2014 for an estimated price of \$62,351 and plan on seeking quotations for the 2014-2015 insurance year

Ayes: 5
 Nays: 0
 Absent: 0
 Motion carried

Consideration to authorize staff to create a letter of endorsement for the Community Foundation Grant application for WATCH Bike Share program funds.

Loaner Bike Program Letter
of Support

City Manager Cain discussed the request from WATCH, Inc, who is

putting together a Bike Share Program in which they will initially provide six bikes to each in Charlevoix County (Boyne City, Charlevoix and East Jordan). These bikes will be available for anyone in the City to use at no cost. Helmets, locks and bike racks will also be provided. The City will be responsible for retaining liability insurance on the bikes, providing storage for the bikes and maintenance of the check in / check out process. If the Commissioners decide to support this program, staff could create a letter of endorsement for the grant application WATCH is working on thru the Charlevoix County Community Foundation.

Staff Comments: None

Citizens Comments: None

Board Deliberation: Commissioner Gaylord commented on the agreement for the bikes where the City accepts the liability. He stated he would like to see one of our businesses in town have this financial opportunity and he has a problem taking money from businesses no matter how noble the idea is. There is also an assumption that someone is going to take the bike and return it. This is putting the City at risk and competing with business in town. City Manager Cain said he spoke with our Liability insurance representative who had no concerns with liability. We already have bikes on loan at the marina.

Commissioner Sansom asked how many bikes we currently have and was informed 3. She added that if we endorse it, try it and don't like it, then what? Is there a time limit? City Manager Cain said if we don't like it, we'd just stop.

Commissioner Neidhamer said how cool is this? It's one more thing to do in Boyne City. We loan out ice skates. It's costing us nothing. Insurance say's it ok. There is no more risk than walking. It supports an active lifestyle and something to do in Boyne City. He endorses it 100%. Mayor Pro-Tem Towne said it sounds like a good program for the community. Mayor Grunch said he supports the recommendation.

2013-09-127

Moved by Neidhamer

Second by Sansom

MOTION

To authorize staff to create a letter of endorsement for the Community Foundation Grant application for WATCH Bike Share program funds.

Ayes: 4

Nays: 1, Commissioner Gaylord

Absent: 0

Motion carried

Consideration to purchase a Boss 8 ft Super Duty Plow and Thieman Lift gate and accessories from Truck and Trailer Specialties in the amount of \$10,079.75 for the new 2014 Ford pickup and authorize the City Manager to execute the documents.

Pick-up plow and Lift Gate Purchase

WWW Superintendent Dan Meads discussed the quote received for a new 8 ft commercial duty plow to match our other plow truck and matching the existing equipment in the street department, allowing plows to be moved from one vehicle to another if needed. The lift gate will cost 60% of the price of new to repair and reuse and was not recommended by the mechanic. The quoted price to install new is \$3,376.00. The additional items are the same parts and pricing our mechanic would have used minus an installation cost.

Staff Comments: None

Citizens Comments: None

Board Deliberation: Mayor Pro-Te Towne is in support. He likes the idea of using the plows on other vehicles. Commissioner Gaylord asked if there is a place in the market for the old lift gate. Dan said we will keep it with the truck. Commissioner Sansom, Commissioner Neidhamer and Mayor Grunch are in support of the recommendation.

2013-09-128
 Moved by Gaylord
 Second by Sansom

MOTION

To authorize purchase a Boss 8 ft Super Duty Plow and Thieman Lift gate and accessories from Truck and Trailer Specialties in the amount of \$10,079.75 for the new 2014 Ford pickup and authorize the City Manager to execute the documents.

Ayes: 5
 Nays: 0
 Absent: 0
 Motion carried

Variable Frequency Drive

Consideration to authorize to purchase a new Altivar frequency drive for the Wastewater Plant lift station from Shoreline Power Services in the amount of \$7,000 and authorize the City Manager to execute the documents.

WWW Superintendent Dan Meads discussed the quotes he received to both repair and replace the variable frequency drive from the main lift station at the old wastewater plant site. This drive is built into the motor control panel and is not a standalone unit. This drive is necessary to reduce wear on one of the main pumps and to eliminate water hammer in the force main to the treatment plant. The cost to repair the unit is higher than the cost to replace the drive with a newer model.

Staff Comments: None

Citizens Comments: None

Board Deliberation: All are in agreement with the recommendation.

2013-09-129
 Moved by Towne
 Second by Gaylord

MOTION

To authorize to purchase a new Altivar frequency drive for the Wastewater Plant lift station from Shoreline Power Services in the amount of \$7,000 and authorize the City Manager to execute the documents.

Ayes: 5
 Nays: 0
 Absent: 0
 Motion carried

Consideration to increase the overnight airplane parking fee from the current \$3.00 / night to \$5.00 / night and to charge a rate of \$30.00 / month for airplane parking on all tie-down services.

Airport Tie Down Fee

City Manager Cain discussed the recommendation from the Airport Board to change the tie-down fee schedule. The board unanimously passed a motion to recommend the overnight airplane parking fee increase from \$3.00 to \$5.00 per night and to charge a rate of \$30.00 per month for airplane parking on all tie down services, grass and/or ramp.

Staff Comments: None

Citizens Comments: None

Board Deliberation: All are in agreement with the recommendation.

2013-09-130
 Moved by Towne
 Second by Gaylord

MOTION

To increase the overnight airplane parking fee from the current \$3.00 / night to \$5.00 / night and to charge a rate of \$30.00 / month for airplane parking on all tie-down services.

Ayes: 5
 Nays: 0
 Absent: 0
 Motion carried

Consideration to authorize staff to submit a PlacePlans letter of interest for Sunset Park area improvements and required information to submit a competitive proposal.

City Manager Cain discussed the grant opportunity he received today from the Michigan Municipal League. It is a PlacePlans grant and it is due this coming Friday. It appears to be the second phase of a similar grant program we applied for last year for assistance in developing plans for our city facilities and we were unsuccessful in that effort. There are several possibilities for this grant, however there is recent discussion about Sunset Park. Discussion includes plans to improve that area, the adjoining west end of Water Street and the area across the river by the shoppers dock and the river

mouth bathrooms. While this is very short notice, this is something we should try to pursue and if successful, we can come up with the required \$6,000 match.

Staff Comments: Main Street Program Director Hugh Conklin said the design committee has discussed Sunset Park over the years and it would be worth moving forward with this opportunity.

Citizens Comments: Carole McGinty said when she volunteered at the Chamber, since the Chamber and Visitor center are all in the same building in a small space it would be better to have a larger area and use of Sunset Park. She thinks it is a good idea.

Board Deliberation: Commissioner Sansom said she loves the way the Chamber building looks, but its too small. Commissioner Gaylord asked if this later notice of the grant opportunity is intentional. What would this grant get us? City Manager Cain said a plan. Commissioner Gaylord said he would like to see the City Manager research having people submit designs for a plan. People just out of school. Mayor Pro-Tem Towne said he thinks Sunset Park area is best and supports the recommendation.

Commissioner Neidhamer supports Sunset Park as a place of interest and added we are lucky to have the staff expertise to do this quickly. More amenities would be awesome. Mayor Grunch agrees.

MOTION

2013-09-131

Moved by Sansom

Second by Neidhamer

To authorize staff to submit a PlacePlans letter of interest for Sunset Park area improvements and required information to submit a competitive proposal

Ayes: 5

Nays: 0

Absent: 0

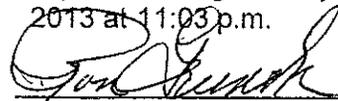
Motion carried

GOOD OF THE ORDER

Commissioner Neidhamer said the discussion tonight is exactly on our goals. Keep aiming us in the right direction. Mayor Pro-Tem Towne commended on the condition of the east end of Marshall Road. Commissioner Gaylord thanked Andy and his crew for the work done on the alley on Vogel Street. All Commissioners commented on a residence on Jefferson Street where gravel keeps washing out into the driveway. Mayor Grunch commented on the fascia coming off of the North Boyne well building.

ADJOURNMENT

Moved by Mayor Grunch, seconded by Commissioner Gaylord to adjourn the regular City Commission meeting of September 24, 2013 at 11:03 p.m.



Ron Grunch
Mayor



Cindy Grice
Clerk / Treasurer

