JULY 25, 2017 REGULAR MEETING

RECORD OF THE PROCEEDINGS OF THE REGULAR BOYNE CITY COMMISSION MEETING DULY CALLED AND HELD AT BOYNE CITY HALL, 364 NORTH LAKE STREET, ON TUESDAY JULY 25, 2017

CALL TO ORDER

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

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

Absent: None

Staff: Cindy Grice, Michael Cain, Scott McPherson, Barb Brooks, Andy Kovolski, Christi Hoenicki, Mark Fowler, Kelsie King-Duff, John Lamont, Jeff Gaither, Dan Mercer, Kevin Spate, John McLeod and Craig Remsberg

Others: There were nine citizens in attendance including representatives from the Petoskey News Review and Boyne Gazette

CONSENT AGENDA MOTION

2017-07-066
Moved by Towne
Second by Grunch

To approve the July 11, 2017 City Commission regular meeting minutes as presented

Ayes: 5
Nays: 0
Absent: 0
Motion carried

CITIZENS COMMENTS

Roger Smith suggested that somehow the deer herd in the City limits be culled. He has tried to contact animal control about this. Something has to be done and he would like a bow season to be considered in town.

CORRESPONDENCE

A thank you note from the Boyne Thunder Committee was received and filed.

CITY MANAGERS REPORT

City Manager Cain reported:

- City Hall construction is progressing. Paving on North Street is now complete and open. We anticipate we will be in the new City Commission chambers for our next meeting. The small garage behind the now removed DPW building has also been moved to the wastewater treatment plan property
- Bid proposal are being sought for Phase I of the Pavilion project.

REPORTS OF OFFICERS, BOARDS AND STANDING COMMITTEES

The June, 2017 Financial Statement was received and filed.

Police Department Commendations

Police Chief Jeff Gaither commended Assistant Police Chief Kevin Spate for his completion of Northwestern University's School of Police Staff and Command. Kevin earned a final score of 96% in one of the most challenging and rewarding programs in the nation and has completed a staff study with outcomes that will directly benefit the Boyne City Police Department and its officers by addressing mental well-being before it becomes unmanageable. Chief Gaither added that he is very impressed with Kevin's effort and the

benefits the Police Department will have with that knowledge. He also thanked Kevin's family for sharing that time. It is greatly appreciated.

Assistant Police Chief Spate thanked the City Commission for this opportunity.

Chief Gaither also commended Officer Dan Mercer for furthering his education by attending a Michigan State University Police Supervisor Training Course and taking on many additional responsibilities during the six month time frame that the Assistant Chief was away for training. Officer Mercer took on many administrative tasks while working his regular shift with his own responsibilities. Additional duties during this time included field training officer for a newly hired officer, directing and moving of the items in the evidence room from the old building to the new office, reorganizing and cataloging evidence with a new system and also taught the weekly 5th grade DARE class as well as a bike safety class to all 4th graders in May. This combination of training and tasks was very challenging but were all completed with extreme professionalism.

Officer Mercer said it is a team effort and everyone stepped up.

Chief Gaither thanked everyone in the Police Department for stepping up during this challenging time. They do their job in an exemplary fashion. He also thanked the City Commission for approving this and believes the rewards will be great for the department and the City.

Mayor Neidhamer said he is thrilled with the image portrayed to the Community and this is a shining example of good people doing good things.

Michigan DNR Trust Fund Grant Resolutions

Consideration to approve the grant acceptance resolution for Boyne Valley Trailway Development Phase I Grant # TF16-0195 and authorize the City Manager and City Clerk to sign the documents; and consideration to approve the grant acceptance resolution for Boyne City Open Space Acquisition Grant # TF16-0122 and authorize the City Manager and City Clerk to sign the Documents.

Planning Director Scott McPherson discussed the next steps required from the Michigan DNR Trust Fund grant funding for the grant to acquire the open space property at 475 N. Lake Street and for the Boyne Valley Trailway as discussed at previous meetings. As a precondition to accepting the grants, the City must sign and return grant documents and the City Commission is required to pass a resolution accepting the terms of the agreements.

Staff Comments: None

Citizens Comments: None

Board Discussion: Mayor Pro-Tem Towne said he supports the grants. Commissioner Sansom said she also supports the grants and it is good news. Commissioner Conklin said it is a great day for the City to move forward and carve a future we can enjoy. Commissioner Grunch said this is another example of a team effort and is win-win. Exciting times for Boyne City. Mayor Neidhamer said he agrees with all comments.

MOTION

2017-07-067
Moved by Grunch
Second by Towne

To approve the grant acceptance resolution for Boyne Valley Trailway Development Phase I Grant # TF16-0195 and authorize the City Manager and City Clerk to sign the documents; and consideration to approve the grant acceptance resolution for Boyne City Open Space Acquisition Grant # TF16-0122 and authorize the City Manager and City Clerk to sign the Documents.

Ayes: 5
Nays: 0
Absent: 0
Motion carried

Open Space Funding Update

Recommendation of City Manager to use Fund Balance for Local Match.

City Manager Cain said as we have been discussing ways to fund the Open Space Acquisition, a big piece of that puzzle began being answered this spring with the grant award from the Michigan Natural Resources Trust Fund (MDNRTF) which was addressed earlier. Recently two major pieces associated with that grant award were addressed in the approval of legislation transforming the MMRTF board's recommendation into law and the completion of appraisals which help us better define how much grant dollars we will actually receive. Based on the lower of the two appraisals obtained, we expect to receive about $2,294,000 of the MNRTF grant to go towards the estimated $3,200,000 purchase price. That leaves an estimated $895,000 of local match we need to come up with after deducting the $10,000 grant we have received from the Charlevoix County Community foundation. This is much better than the worst case grant scenario included in this year's proposed budget of $1,500,000.

The last remaining major unknown, until very recently, was how much money the City could bring to the table. As the Commission was aware we had estimated where our fund balance would be at the end of the last fiscal year as part of the budgeting process. If that number, $1,961,873, came in on track or higher as part of our annual audit process we felt fairly confident that we would be able to pay for the remaining local match portion of the acquisition ourselves while not going below the City's 25% fund balance minimum or having to go the taxpayers and ask for additional funding for this purchase. The 25% fund balance minimum policy is to safeguard the City and its operations in case of an emergency or another economic downturn. The auditors projected fund balance on April 30, 2017 was $2,276,210.

In short, it appears that with the grants received, we have sufficient funds between the grants and our available fund balance to purchase the Open Space property. We still have a number of steps to go thru with the State and the sellers in regards to the purchase, but all the pieces seem to be falling into place.

Based on the information to date it is being recommended that the City continue to move forward with the funding of the purchase of the open space acquisition as outlined above and not take any further steps at this time to put

a fund request on the November ballot. Such a request would need to be submitted to the County Clerk by Tuesday, August 15th at 4:00 p.m.

Staff Comments: None

Citizens Comments: Roger Smith said he didn't think an additional millage would fly.

Board Discussion: Commissioner Sansom said she is in total favor. Everything is falling into place perfectly. Commissioner Conklin said he agrees and would like to see the property improved quickly. Commissioner Grunch said we did all of this through City wide planning sessions and survey participation. We are also sharing cost burdens for Fire, EMS and Planning with other townships. Thru good management and giving staff credit for a job well done, it's happening. Mayor Pro-Tem Towne said he fully supports and would rather go this route. Mayor Neidhamer said he agrees with all of the Commissioners comments.

Mosaic Sculpture at Peninsula Beach Park

Consideration to approve the designated location in Peninsula Beach Park for the placement of a mosaic sculpture.

Main Street Executive Director Kelsie King-Duff discussed the request for the installation of a mosaic sculpture in Peninsula Beach Park. This has been discussed by the Main Street Board for some time. The Main Street Design committee recently recommended to the Main Street Board the placement of this and it was approved. The Parks & Recreation board has also recommended the placement. The Planning Department helped in determining which part of Peninsula Beach Park is the Main Street district so the recommended placement of the sculpture is in the district. The Department of Public Works has reviewed this as well. Main Street has $2,000 budgeted, however more fundraising will likely have to take place before the sculpture can actually be installed.

Staff Comments: City Manager Cain added that the original location was discussed to be at the marina.

Citizens Comments: None

Board Discussion: Commissioner Conklin said he finds this location more favorable than Veteran's Park. Commissioner Grunch said it seems like a good location and supports this. Mayor Pro-Tem Towne agrees with the location and visibility. Commissioner Sansom said she is not excited about this. She wants more background information about the artist. Local artists have been cut out of the opportunity. If Main Street wants to spend money for the community, we should put a notice to artists for this opportunity. This sculpture will block the view. She also added that she is not sure what the motivation is for this particular piece of art. Kelsie said this is an approval of the location, not anything about the art. City Manager Cain added that this is the artist's gift to Boyne City. This artist is becoming local. Mayor Neidhamer agrees with the City Manager and said he embraces the process that got us here.

MOTION

2017-07-068
Moved by Conklin
Second by Towne

To approve the designated location in Peninsula Beach Park for the placement of a mosaic sculpture

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

Good of the Order

None

ADJOURNMENT

Motion by Mayor Neidhamer seconded by Commissioner Grunch to adjourn the Regular City Commission meeting of Tuesday, July 25, 2017 at 12:49 p.m.

Tom Neidhamer
Mayor

Cindy Grice
Clerk / Treasurer