

**DECEMBER 23, 2015
SPECIAL MEETING**

RECORD OF THE PROCEEDINGS OF THE SPECIAL BOYNE CITY COMMISSION MEETING DULY CALLED AND HELD AT BOYNE CITY HALL, 319 NORTH LAKE STREET, ON WEDNESDAY DECEMBER 23, 2015

CALL TO ORDER

Mayor Neidhamer called the meeting to order at 9:00 a.m. followed by the Pledge of Allegiance.

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

Absent: None

Staff: Cindy Grice, Michael Cain, Lori Meeder, Scott McPherson, Mark Fowler, Andy Kovolski, Kevin Spate, Jeff Gaither, Debra Chavez, Patrick Kilkenny and City Attorney Jim Murray

Others: There were 3 citizens in attendance including a representative from the Petoskey News Review

**CONSENT AGENDA
MOTION**

2015-12-134

Moved by Sansom
Second by Conklin

2015-12-134A

Approval of the December 9, 2015 City Commission Old City Clock Work Session minutes as presented

2015-12-134B

Approval of the December 10, 2015 Joint Board and Commission meeting minutes as presented

2015-12-134C

Approval of the December 14, 2015 City Commission special meeting minutes as presented

Ayes: 5

Nays: 0

Absent: 0

Motion carried

CITIZENS COMMENTS

None

CORRESPONDENCE

A letter from Charter dated December 15, 2015 discussing rate increases and a thank you from Challenge Mountain for the Boyne Thunder contribution were received and filed.

CITY MANAGERS REPORT

City Manager Cain's reported:

- The wood chips for the Community Playground project have been removed from the site and the new sealer has been received.
- The marina core drilling samples were taken last week and we are awaiting the results.
- We have been notified that we were successful in obtaining a \$10,400 grant from the State's Recreation Passport Grant program for new fitness trails at the Dog Park.
- We have received the current plans and specs from MDOT for the rebidding of Phase I of the BC to Charlevoix non-motorized trail.

- Work on the Catt Development South Lake Street project has begun

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

**Parkview Apartments
PILOT**

The November, 2015 Financial Statement was received and filed.

City Manager Cain discussed the revised draft ordinance that would provide a Payment in Lieu of Taxes for the property that comprises the Parkview Apartments south of Division Street. The resulting loss in tax revenues created by the PILOT would be felt equally by all taxing entities, including the City. The return on the PILOT in the current version is 7% of base rents. The term of the PILOT proposed under this agreement was shortened to 15 years, with the possibility of future renewal or extension. There is also a draft Release of Claims and draft letter regarding our willingness to make an additional connection to our storm drain system, under certain conditions. The City Attorney has reviewed all of these documents and finds them in proper order. The County Coordinator, School Superintendent, Library Director and Transit Executive Director have also been contacted regarding this information and no objections have been heard to what is currently being presented.

City Attorney Jim Murray added that that he does agree with the form of the ordinance and it should be approved upon the condition of the Release of all Claims being signed.

Staff Comments: None

Citizens Comments: None

Board Discussion: All are in support of the agreement and ordinance.

MOTION

2015-12-135

Moved by Grunch

Second by Towne

To adopt the Parkview PILOT Ordinance as presented and simultaneously agree to sign the Release of Claims Agreements as a condition of the Ordinance and authorize staff to take the necessary steps to implement both items

Ayes: 5

Nays: 0

Absent: 0

Motion carried

**City Facilities Bond Sale
Authorization**

Consideration to approve the proposed resolution authorizing the 2016 Unlimited Tax General Obligation Bonds for financing the City Facilities improvements as approved by the Voters of the City of Boyne City and authorize the Mayor, City Manager and City Clerk/Treasurer to take all appropriate steps necessary to implement this action.

City Manager Cain discussed the request to approve a resolution authorizing staff to proceed with the process of issuing the voter approved bonds at the \$7,000,000 amount. Our financial consultant is Paul Stauder of The PFM Group. Both Pat McGow, our bond counsel from Miller Canfield and Stone and Paul worked with us previously on the bond sale

for the Wastewater plant improvements. This is a time of historically low interest rates, even with the Federal Reserve's increase of 0.25 percent last week. This is a good time to borrow money. While we will not know the exact cost of our proposed project until the bids come in, our architect continues to believe we are still within our estimated amounts. Excess bond proceeds above what would be needed to do the project, if any, could be used to make payments towards the cost of the bonds.

Citizens Comments: None

Staff Comments: Clerk / Treasurer Grice agrees with the recommendation.

Board Discussion: Mayor Pro-Tem Towne agrees. Interest rates are good. Commissioner Conklin asked how local people could buy bonds and was informed we are not aware of that process at this time. Do we need to have voter approval to bond a project? Not always, citing the example of the DDA bonding done in the late 1990's. Commissioner Sansom said she is in favor of moving forward, it's a smart move. Commissioner Grunch also had some questions regarding the bonding and is also in approval of moving forward. Mayor Neidhamer is in support of moving forward.

MOTION

2015-12-136
Moved by Towne
Second by Sansom

To approve the proposed resolution authorizing the 2016 Unlimited Tax General Obligation Bonds for financing the City Facilities improvements as approved by the Voters of the City of Boyne City and authorize the Mayor, City Manager and City Clerk/Treasurer to take all appropriate steps necessary to implement this action.

Ayes: 5
Nays: 0
Absent: 0
Motion carried

MINUTES OF DECEMBER 8, 2015 DISCUSSION

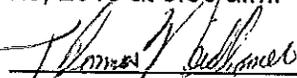
Commissioner Sansom requested that the minutes of the December 8, 2015 City Commission meeting be discussed. She feels it should be noted that during the Pavilion discussion, the minutes should show more of a consensus that we don't want to tie up the project. The minutes didn't reflect the depth of the discussion. There was a consensus of the Commissioners at that meeting to not delay the bidding process. All other Commissioner agreed to not hamper the process because including the pavilion construction bid would slow down the process. Clerk / Treasurer Grice will make changes to the minutes and bring them back to the Commission at their January 12, 2016 meeting for approval.

GOOD OF THE ORDER

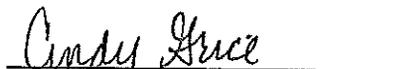
All Commissioners wished everyone a very Merry Christmas and Happy New Year.

ADJOURNMENT
MOTION

Motion by Mayor Neidhamer seconded by Mayor Pro-Tem Towne to adjourn the regular City Commission meeting of Wednesday, December 23, 2015 at 9:50 a.m.



Tom Neidhamer
Mayor



Cindy Grace
Clerk / Treasurer