

DECEMBER 10, 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 DECEMBER 10, 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, Jeff Gaither, Dan Meads, Dennis Amesbury and Andy Kovolski

Others: There were 7 citizens in attendance, including representatives from the Charlevoix County News.

CONSENT AGENDA
MOTION

2013-12-159

Moved by Towne

Second by Sansom

2013-12-159A

Approval of the November 12, 2013 City Regular City Commission meeting minutes as presented

2013-12-159B

Approval of the November 26, 2013 City Commission Facilities Work Session meeting minutes as presented

2013-12-159C

Approval to accept the invitation by the City of Frankenmuth to hold our 2014 Mayors Exchange with them and authorize staff to begin working out the details

2013-12-159D

Approved to authorize staff to research the Food Truck topic further, involving appropriate community input, bring back findings, alternatives and recommendations

2013-12-159E

Approved to accept the \$1,500 grant from the Charlevoix County Community Foundation for the Veterans Park Pavilion Project and authorize the City Manager to execute the documents

Ayes: 5

Nays: 0

Absent: 0

Motion carried

CITIZENS COMMENTS

Doug Bean thanked everyone for bringing the ice pole back.

CORRESPONDENCE

Correspondence from the Health Department of Northwest Michigan regarding information on a policy for our parks and beaches to be tobacco free. All Commissioners agreed with taking no action on this.

CITY MANAGERS REPORT

City Manager Cain reported:

- The Grain Train opened last week.
- The planning for the Pavilion project starts this Thursday
- The Leadership Charlevoix County project will be assisting with the Dog Park

- Eveline Township officials have contacted us regarding expansion of our ambulance service coverage in their township.
- The Boyne City Main Street has secured a directional sign on northbound I-75 north of Waters. Also, their sign on 131 will be getting a fresh face as well.
- We are working with Consumers Energy who is finalizing and correcting some of our billing. We should be getting a refund of approximately \$35,000 of overcharges.
- Evangeline Township is also leaning towards working on solutions to reconstruct Court Street, working with a task force.

Draft Minutes of the November 5, 2013 Zoning Board of Appeals Meeting; the November 7, 2013 Main Street Board Meeting; the November 7, 2013 Parks & Recreation Commission Meeting; the November 11, 2013 Economic Development Corp Meeting; the November 11, 2013 Local Development Finance Authority Meeting and the November 16, 2013 Planning Commission Meeting were received and filed.

REPORTS OF OFFICERS, BOARDS AND STANDING COMMITTEES

Public Hearing regarding Maple Lawn Cemetery gates, entrance closures and possible hours of operation

Cemetery Gates Public Hearing

Mayor Grunch Opened the Public Hearing at 7:22 p.m.

Clerk / Treasurer Grice discussed the funds received in donations for Cemetery Gates in memory of Jim Stackus and other contributions. At their October 22, 2013, the Commissioners directed staff to schedule a public hearing regarding gates and possible established hours. Since this public hearing was requested by the City Commission, we heard from citizens verbally stating they were in favor of keeping the cemetery open at all hours as it is now. Also provided are comments people posted on the City's Facebook page. These posts have expressed a desire to not have gates placed and / or to close the cemetery for specific hours. However, staff does believe two Boyne Avenue entrances to the Cemetery can be closed off. The Police Department provided statistics for the past several years. Since the extensive vandalism incident in 2007, we have only had a few reports of minor damage, none requiring an insurance claim. Staff is recommending that we close off two entrances on Boyne Avenue, maintain the current hours of operation which would entail leaving the cemetery open 24 hours per day, seven days per week and utilize the donated funds toward closing off the areas as mentioned and a compromise on other areas to have gates, but not closed off permanently.

Chuck Vondra agrees that a compromise can be made on this. Mike Handy said he doesn't see the need for gates, period. The cemetery provides a place of solace and comfort. Eleanor Stackus said the original Cemetery Fence Committee sent out letters and the response was tremendous. Most other cemeteries have rules and regulations and are fenced and gated. She stated she thinks this has been blown out of proportion. This is part of the beautification. She added that most cemeteries do have hours and it can cause a liability problem.

Board Deliberation: Commission Sansom said if not all entrances are gated, she can see something done at the main entrance. She is not in favor of establishing hours. Commissioner Gaylord said he is not comfortable locking off the cemetery. He would also like to see the main entrance be a little more elaborate. Mayor Pro-Tem Towne said we could

put gates, but not lock them. He is okay with it being open 24 / 7. Commissioner Neidhamer said he agrees with the 24 / 7 availability. He also doesn't see a need for 11 entrances and likes the suggestion of a grand entrance. Mayor Grunch agrees with all. He thinks a grand entrance is a great idea and is also in favor of strategic closures. He favors keeping the cemetery open 24 / 7 and is thankful for all who have volunteered time and passion to make things better.

Chris Christensen said to be mindful of access to graves and keeping some of the roads usable.

Dennis Amesbury said the two gates that are being recommended to be closed are ok, but access roads will be needed.

Correspondence from Sue Hobbs stating she would like the cemetery kept open all the time was received and filed.

Commissioner Neidhamer recommended plans go back to the committee.

Mayor Grunch closed the Public Hearing at 7:46 p.m.

Fire Truck Purchase

Consideration to approve to accept the low bid of \$313,358 from Toyne, Inc of Breda, Iowa for a fire pumper truck and further reduce it to a total of \$301,985 with a full payment at contract signing and authorize the City Manager to execute the contract.

Fire Chief Dennis Amesbury presented the Commissioners with the bid recommendations for a new fire pumper truck. The low bid of \$313,358 was from Toyne, Inc of Breda, Iowa and would be further reduced to a total of \$301,985 with a full payment at contract signing.

Citizens Comments: None

Staff Comments: Police Chief Gaither reiterated the importance of proper equipment for public safety.

Board Deliberation: All are in agreement with the recommendation. Mayor Pro-Tem Towne said we should supply the fire department with the best possible equipment we can afford.

MOTION

2013-12-160

Moved by Towne

Second by Gaylord

To approve to accept the low bid of \$313,358 from Toyne, Inc of Breda, Iowa for a fire pumper truck and further reduce it to a total of \$301,985 with a full payment at contract signing and authorize the City Manager to execute the contract

Ayes: 5

Nays: 0

Absent: 0

Motion carried

**DIG Grant Engineering
Proposal for East / Ray
Street Reconstruction**

Consideration to approve the proposal for Engineering Services for the Ray and East Street DIG project dated December 10, 2013 from C2AE

at an estimated total amount of \$85,600 on the condition that C2AE agrees that if notified by the City that the project did not receive final approval that the City of Boyne City shall not incur further costs or obligations

City Manager Cain discussed the Downtown Improvement Grant we received to reconstruct the block of South East Street between Main and Ray, the two blocks of Ray Street which included putting utilities underground along those segments and also those in the alley south of the 100 block of Water Street. Since our initial submittal, the Michigan Strategic Fund has invited us to take the next step and complete part II of their application process. In addition, they have provided us a letter authorizing us to proceed with incurring engineering and administrative costs associated with the project, at our own risk that the project may still not be approved. Given that a requirement of this project will be that it is completed by about this time next year, it is critical that survey and design work begin as soon as possible.

Citizens Comments: None

Staff Comments: None

Board Deliberation: All are in agreement with the recommendation.

2013-12-161

Moved by Sansom

Second by Towne

MOTION

To approve the proposal for Engineering Services for the Ray and East Street DIG project dated December 10, 2013 from C2AE at an estimated total amount of \$85,600 on the condition that C2AE agrees that if notified by the City that the project did not receive final approval that the City of Boyne City shall not incur further costs or obligations

Ayes: 5

Nays: 0

Absent: 0

Motion carried

Consideration of request from Housing Commission to adopt the Joint Transfer Agreement with them to separate the Housing Commission from the City of Boyne City's Municipal Employees Retirement System (MERS) plan and authorize the City Manager to execute the documents

**Boyne City Housing
Commission Personnel
Transfer from MERS**

City Manager Cain discussed the request of the Boyne City Housing Commission to separate from the City of Boyne City's Municipal Employee Retirement System Plan and continue to participate with MERS as a separate entity.

Citizens Comments: None

Staff Comments: None

Board Deliberation: All are in agreement with the request and recommendation.

2013-12-162

Moved by Neidhamer
Second by Gaylord

MOTION

To approve the request from Housing Commission to adopt the Joint Transfer Agreement with them to separate the Housing Commission from the City of Boyne City's Municipal Employees Retirement System (MERS) plan and authorize the City Manager to execute the documents

Ayes: 5
Nays: 0
Absent: 0
Motion carried

Consideration to review the draft Request for Proposals for City Facilities, and consider any further feedback we may yet receive on it and any revisions deemed necessary, authorize staff to proceed with advertising it.

City Facilities RFP

City Manager Cain discussed the draft RFP for Architectural Services to help us move forward with our City Facilities Project. If the Commission is comfortable with this document, it is ready to be advertised.

Citizens Comments: None

Staff Comments: None

Board Deliberation: Mayor Pro-Tem Towne said he looked it over and is ready to move forward. He still thinks we can look at the North Boyne site for the DPW. Commissioner Neidhamer is very impressed with the document. It is thorough and exact to us. He thinks we will have a lot of input. Commissioner Sansom said she thought it was well put together. Commissioner Gaylord said he thinks we could do this in a three year plan. His concerns were met within this plan document. Mayor Grunch said the firms that will compete for this will have experience working with these projects.

2013-12-163

Moved by Towne
Second by Sansom

MOTION

To authorize staff to proceed with advertising the draft Request for Proposals for City Facilities

Ayes: 5
Nays: 0
Absent: 0
Motion carried

Consideration to accept the grant for \$4,700 from the Michigan Township Participating Plan (PAR), authorize the City Manager to execute the documents; and to proceed with the purchase of the

Police Department Media Storage System

Media Storage System as designed by Marcor Technologies in the amount of \$6,264 and authorize the City Manager to execute the documents

Police Chief Jeff Gaither discussed the proposed Media Storage System purchase. This system has been designed to upgrade our current abilities to store, manage and view our video, photos and other data used to document officers and offenders actions. It will meet the current and immediate future needs and reduce the City's Civil liability from police contacts. The Michigan Township Participating Plan grant is for \$4,700 and the City's contribution will be \$1,564.

Citizens Comments: None

Staff Comments: None

Board Deliberation: All Commissioners are in agreement with the recommendation.

2013-12-164

Moved by Gaylord

Second by Towne

MOTION

To accept the grant for \$4,700 from the Michigan Township Participating Plan (PAR), authorize the City Manager to execute the documents; and to proceed with the purchase of the Media Storage System as designed by Marcor Technologies in the amount of \$6,264 and authorize the City Manager to execute the documents

Ayes: 5

Nays: 0

Absent: 0

Motion carried

Consideration that the City Commission approve the recommendation from the Compensation Commission for an increase in compensation from \$2,800 per year for the Mayor and \$2,300 per year for each Commissioner to \$3,000 per year for the Mayor and \$2,500 per year for each Commissioner.

**City Commissioner
Compensation**

Clerk / Treasurer Grice discussed the recommendation from the Compensation Commission to increase the compensation for the Mayor and Commissioners. This decision was based not only upon the comparison of compensation for surrounding communities of comparable populations, but many other factors as well, including the increase in fuel costs the City Commissioners incur, technology and supplies the Commissioners utilize at their own homes at their own expense, and the fact that it has been several years since there has been an increase. Also recognized are the huge successes of the City. The Board felt this is a small gesture for the huge amount of work the Commissioners do and they are very deserving of this increase. The Board expressed disappointment the 2007 recommended increase was not accepted and strongly encouraged the approval of this recommended increase. All board members expressed deep appreciation for the commitment of the City Commission to the City of Boyne City and its' citizens.

Staff Comments: None

Citizens Comments: Jim Baumann said the Commissioners deserve it.

Board Deliberation: Commissioner Sansom said it is a struggle, but she is in support. Commissioner Gaylord said he appreciates the time the board spent with this, appreciates the thought, but can't support this to be accepted. Mayor Pro-Tem Towne thanked the Compensation Commissioners and said he has a problem voting for a raise for himself. Commissioner Neidhamer said he agrees and will vote yes. Mayor Grunch said maybe future Commissioner's couldn't pay for the extras and wouldn't run for the position. He is in favor of accepting the increase.

2013-12-165

Moved by Sansom

Second by Neidhamer

MOTION

To approve the recommendation from the Compensation Commission for an increase in compensation from \$2,800 per year for the Mayor and \$2,300 per year for each Commissioner to \$3,000 per year for the Mayor and \$2,500 per year for each Commissioner

Ayes: 4

Nays: 1, Commissioner Gaylord

Absent: 0

Motion carried

Consideration to approve the increase of the City Manager's pay as outlined, increase the automobile compensation to \$400 / month and increase the deferred compensation contribution from 10% to 12% with all changes effective the 2nd pay period of December, 2013

City Manager Compensation

Mayor Pro-Tem Towne discussed the recommendation from Commissioner Sansom and himself, the negotiating committee for the City Manager's Compensation. The recommendation is to approve the increase of the City Manager's pay as outlined, increase the automobile compensation to \$400 / month and increase the deferred compensation contribution from 10% to 12% with all changes effective the 2nd pay period of December, 2013 with no retroactive pay.

Citizens Comments: None

Staff Comments" None

Board Deliberation: Commissioner Neidhamer said he respects the process that was agreed to, the raises make sense. The City Manager has done a great job and he would like to give him more, but why no retro pay. Commissioner Sansom said all parties reached an agreement. The City Manager has done an incredibly good job and they would like to see him get more. In this case, putting extra into the Deferred Comp is putting it forward. Mayor Pro-Tem Towne said he agrees and would like to see him get more.

The City Manager has saved us money in getting grants and has the Citizens best interests in mind. Mayor Grunch thinks the pay should be retroactive to May 1, 2012 and May 1, 2013. Commissioner Gaylord inquired about the City Manager's contract and where it could be opened to negotiate wages. Where is the section that allows for modifications? He also inquired about the possibility of purchasing a City vehicle for the Manager to use.

City Manager Cain expressed his thanks and said he really enjoys working for the City of Boyne City.

2013-12-166

Moved by Neidhamer

Second by Sansom

MOTION

To approve the increase of the City Manager's pay as outlined, increase the automobile compensation to \$400 / month and increase the deferred compensation contribution from 10% to 12% with all changes effective the 2nd pay period of December, 2013. Also including retro pay of 1 % at May 1, 2012 and 2% at May 1, 2013.

Ayes: 4

Nays: 1, Commissioner Gaylord

Absent: 0

Motion carried

Consideration to amend the City of Boyne City's personnel policy to provide health insurance for employees who work over 30 hours per week effective January 1, 2014 in order to comply with the ACA as outlined by the City's Labor Attorney and authorize the City Manager to execute the changes to the document

Health Care Eligibility

City Manager Cain discussed the current City personnel policies and practices that provide that employees must work 40 hours per week in order to qualify for health insurance. Based upon the Affordable Care Act, our City Labor Attorney advises us to amend our policies to provide health insurance for employees who work over 30 hours per week. We do not expect this to increase the number of employees that are provided health insurance. The change would apply

Citizens Comments: None

Staff Comments: None

Board Deliberation: Commissioner Gaylord believes this requirement has been postponed. Commissioner Sansom said to take the advice of the labor attorney.

2013-12-167

Moved by Sansom

Second by Neidhamer

MOTION

To amend the City of Boyne City's personnel policy to provide health insurance for employees who work over 30 hours per week effective January 1, 2014 in order to comply with the ACA as

outlined by the City's Labor Attorney and authorize the City Manager to execute the changes to the document, also if determined that requirements for 30 hours have been delayed by the Affordable Care Act, the policy remains unchanged.

Ayes: 5
Nays: 0
Absent: 0
Motion carried

Consideration to approve a motion opting out of the requirements of PA 152 of 2011 for the coming year and authorize the City Manager and City Clerk/Treasurer to submit the required paperwork

Insurance Opt Out

City Manager Cain discussed the PA 152 of 2011 that deals with employer paid health insurance. The past two years, the City Commission approved a motion opting out of the State's health insurance options. This gives us the most flexibility in dealing with our own employees and does not limit us. The Affordable Health Care act could affect this and we need to make sure we minimize our exposure.

Citizens Comments: None

Staff Comments: None

Board Deliberation: All Commissioners are in agreement with the recommendation.

2013-12-167
Moved by Gaylord
Second by Sansom

To approve to opt out of the requirements of PA 152 of 2011 for the coming year and authorize the City Manager and City Clerk/Treasurer to submit the required paperwork.

Ayes: 5
Nays: 0
Absent: 0
Motion carried

Consideration to approve funding the Health Savings Accounts for eligible employees participating in the City's Priority Health HSA plan for 2013 at the \$1,500 and \$3,000 levels as presented

Health Savings Account Contributions

City Manager Cain discussed the recommendation to fund the Health Savings Accounts for eligible employees as outlined, with the exception of the bargaining unit employees whose contracts will be negotiated soon. It is recommended their H.S.A. funding will be equal, but on a pro-rated basis thru their remaining contract terms.

Citizens Comments: None

Staff Comments: None

Board Deliberation: All are in agreement with the recommendation. No reduced funding levels.

2013-12-168
 Moved by Sansom
 Second by Towne

MOTION

To approve funding the Health Savings Accounts for eligible employees participating in the City's Priority Health HSA plan for 2013 at the \$1,500 and \$3,000 levels as presented

Ayes: 5
 Nays: 0
 Absent: 0
 Motion carried

Commissioner Neidhamer said all parties are meeting for the trails.
 Commissioner Sansom wishes everyone a Merry Christmas.
 Commissioner Gaylord inquired of any updates regarding Mr. Beeman's Historic District questions.

GOOD OF THE ORDER

2013-12-169
 Moved by Grunch
 Second by Gaylord

CLOSED SESSION

MOTION

To approve the request of the City Manager to go into closed session to consider strategy connected with the negotiation of a collective bargaining agreement as provided in MCL 15.268 (c) of the Michigan Open Meetings Act (PA 267 of 1976) at 10:13 p.m.

Ayes: 5
 Nays: 0
 Absent: 0
 Motion carried

2013-12-170
 Moved by Grunch
 Second by Towne

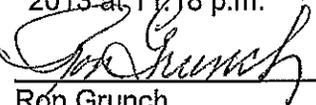
RETURN TO OPEN SESSION

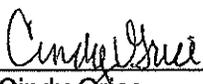
To return to open session at 11:17 p.m.

Ayes: 5
 Nays: 0
 Absent: 0
 Motion carried

Moved by Mayor Grunch, seconded by Commissioner Gaylord to adjourn the regular City Commission meeting of December 10, 2013 at 11:18 p.m.

ADJOURNMENT


 Ron Grunch
 Mayor


 Cindy Grice
 Clerk / Treasurer