

**DECEMBER 8, 2015
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 8, 2015

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 Gene Towne, Commissioners Ron Grunch, Laura Sansom and Hugh Conklin

Absent: None

Staff: Cindy Grice, Michael Cain, Scott McPherson, Andy Kovolski, Mark Fowler, John Lamont, Jeff Gaither, Kevin Spate and Lori Meeder

Others: There were 10 citizens in attendance including representatives from the Charlevoix County News and Petoskey News Review

CONSENT AGENDA

MOTION

2015-12-157

Moved by Conklin

Second by Grunch

2015-12-157A

Approval of the November 24, 2015 City Commission regular meeting minutes as presented

2015-12-157B

Approval of Compensation Commission 2015 recommendation to keep the compensation for the Mayor at the current levels of \$3,000 per year and \$2,500 per year for each Commissioner

2015-12-157C

Approval of the recommendation of the Main Street Board to appoint Chris Bandy to the board for a four year term expiring in January, 2020

2015-12-157D

Approval of the recommendation of the Main Street Board to appoint Don Ryde to the board for a four year term expiring in January, 2020

2015-12-157E

Approval of the recommendation of the Main Street Board to appoint Jodie Adams to fill Jim Jensen's remaining term which expires in January, 2017

2015-12-157F

Approval to authorize the City Manager to accept the \$10,000 Open Space and \$1,500 River Sculpture Charlevoix County Community Foundation grants as awarded and provide the necessary paperwork

Ayes: 5

Nays: 0

Absent: 0

Motion carried

CITIZENS COMMENTS

Michelle Cortright, representing a group of individuals, discussed the opportunity resulting of the new city hall facilities construction to safely and securely package our artifacts, cataloging and digitizing our museum collection. She also discussed finding a safe, secure environment for storage in the meantime. The group doesn't know what the cost will be but is talking about researching this information. Kecia Freed provided the Commissioner with a handout of the notes of this group's recent

discussion. Commissioner Sansom said there is a Historical Commission board meeting coming up.

CORRESPONDENCE

None

CITY MANAGERS REPORT

City Manager Cain's reported:

- Boyne City has received its Redevelopment Ready Communities certification from the MEDC, just the fifth community to be recognized under this program.
- The Sommerset Pointe force main project is basically done and on hold until sometime this spring. The next step will be the installation of the pump station structure.
- Attorney Mike Watza continues to work out details on the ACD cellular antenna system agreement
- Water/Wastewater Department Staff member John Loughmiller passed is D-2 license requirements. Eric Kujawski earned his D-4 license for the water system and is working towards a new wastewater license. Gary Dunlop has received the State's Edward Dunbar Rich award for 25 or more years of public service in the Water Department.
- Our longest seniority employee, Keith Hausler has formally advised us that he will be retiring on December 31, 2015 after 36 years, 7 months and 10 days as our Parks Foreman and Heavy Equipment Operator. We wish him and his wife all the best

REPORTS OF OFFICERS, BOARDS AND STANDING COMMITTEES

Draft Minutes of the November 3, 2015, Zoning Board of Appeals Meeting; the November 5, 2015, Main Street Board Meeting; the November 9, 2015, Economic Development Corporation Board Meeting; the November 9, 2015, Local Development Finance Authority Board Meeting and the November 13, 2015, Historic District Meeting were received and filed.

Parkview Apartments PILOT

Consideration of first reading to review the materials and introduction of the revised PILOT Ordinance as presented and schedule a second reading for possible further consideration to be held at the City Commission's January 12, 2016 meeting.

City Manager Cain discussed the review of the revised draft ordinance that would provide a PILOT for Parkview Apartments. The revised draft ordinance replaces the previous one introduced on October 13. Unlike the previous version, the loss in tax revenues created by a PILOT would be felt equally by all taxing entities, including the City. The return on the PILOT in the current version is increased from 3% of base rents to 7%. The term of this revision of the PILOT proposed has shortened to 15 years with the possibility of future renewal or extension. City Attorney Jim Murray added the current form is satisfactory.

Staff Comments: Assessor Deb Chavez said if the 2nd reading goes to January, 2016, the PILOT would not be in effect until 2017.

Citizens Comments: Chris Christensen said as a resident he thinks it is important to not convolute this ordinance and added that subsidized and affordable workforce housing are not the same thing. There are people that own second homes that are being rented at the market level.

Board Discussion: Commissioner Conklin inquired about the \$3,000,000 renovation costs from the 2013 estimates. Parkview attorney Joe Quandt

said the money captured thru the PILOT must address every penny spent, in the capital needs assessment. Parkview is a limited profit entity. It can't be a fully market driven entity. Bob Brooks of Parkview said you're not restricted to just families in these units. When they were first built, there were a lot of families in the units but the demographics have changed. Commissioner Conklin said he thinks supporting this housing is really important for the community. Commissioner Sansom asked how long the rehabilitation is projected. Attorney Quandt said they have to make \$283,000 in improvements because that's what the PILOT captures.

Mayor Pro-Tem Towne said we need to do what we can, it is important. Commissioner Grunch said he supports the process to move forward. We are definitely in need of more affordable housing. Mayor Neidhamer said he agrees that they support the affordable housing. It's a need for Boyne City. He is in support of the ordinance as a tool This would make 120 units that are not on the tax roll. How much can we afford to not have these on the tax rolls? Why should taxpayers take a hit? He added that he also struggles that the units are already built.

City Manager Cain said the Library and Schools are in favor of leveling the playing field and he got the impression that in its current form the ordinance is something they could live with.

MOTION

2015-12-158

Moved by Grunch

Second by Conklin

To approve the first reading to review the materials and introduction of the revised PILOT Ordinance as presented and schedule a second reading for possible further consideration to be held at the City Commission's January 12, 2016 meeting

Ayes: 5

Nays: 0

Absent: 0

Motion carried

Fire Department Grant Authorization

Consideration to approve to authorize the Fire Department to apply for a grant to purchase new air packs at an estimated cost of \$138,000 and authorize the City Manager or his designee to complete the necessary paperwork.

Dennis Amesbury discussed the FEMA grant the Fire Department would like to apply for to purchase and replace the firefighter's air packs. The maximum estimated cost of \$138,000 and a 5% local match of \$6,900 would be requested.

Commissioner Sansom asked how sure we are of getting the grant and was informed that we will continue to try if we do not get it this time.

All Commissioners are in support of the recommendation.

MOTION

2015-12-159

Moved by Towne

Second by Sansom

To approve to authorize the Fire Department to apply for a grant to purchase new air packs at an estimated cost of \$138,000 and authorize the City Manager or his designee to complete the necessary paperwork.

Ayes: 5
 Nays: 0
 Absent: 0
 Motion carried

**Temporary City Facilities
 Contract**

Consideration to authorize the City Manager to complete negotiations and execute an agreement with Honeywell to lease space at 364 North Lake Street for a temporary City Hall for a period not to exceed 30 months as outlined at a first year rental cost of \$33,075.

City Manager Cain discussed the temporary quarters to house City Hall operations during the construction of our new City Hall. For a while, we have looked at options with our neighbor Honeywell. They have excess unused space in their facility right across the street from City Hall, just north of the 4Front Credit Union. The space is a mixture of open space and offices that seem sufficient to meet our needs for an estimated period of 18 to 24 month. Both City staff and the City Commission had an opportunity to tour the space. We believe the space could be fully usable in a matter to continue to meet the needs of the community during construction of the new building. The lease would begin on January 1, 2016 at a cost of \$33,075 for the first year rent and utilities and \$34,067.25 for a full second year if needed. Painting and cleaning, along with installation of phone and computer systems would need to take place prior to moving in. The Police Department is planning to move into a modified space being vacated in the old DPW building.

Staff Comments: None

Citizens Comments: None

Board Discussion: All are in agreement.

MOTION

2015-12-160
 Moved by Conklin
 Second by Towne

To authorize the City Manager to complete negotiations and execute an agreement with Honeywell to lease space at 364 North Lake Street for a temporary City Hall for a period not to exceed 30 months as outlined at a first year rental cost of \$33,075.

Ayes: 5
 Nays: 0
 Absent: 0
 Motion carried

City Hall Asbestos Survey

Consideration to approve a contract for the Asbestos Survey for the 319 N Lake Street facilities at a unit cost of \$30.95 per sample with Otwell Mawby and authorize the City Manager to sign the required documents, further should the need arise to exceed 70 samples, to authorize the City Manager to proceed as needed with additional sampling at a cost of

\$30.95 per sample to complete the project

Public Works Superintendent Andy Kovolski discussed the need for an asbestos survey of the existing city facilities as we move toward demolition and reconstruction. This testing is a requirement of both the MDEQ and the Federal Environmental Protection Agency. Otwell Mawby has provided us the best cost proposal in the amount of \$30.95 per sample, proposing to take 70 samples. If additional samples are required, they will complete them at the same unit cost.

Staff Comments: None

Citizens Comments: None

Board Discussion: Commissioner Grunch asked if there is any evidence and was informed, yes. Commissioner Conklin inquired about the difference in number of samples proposed from the other Contractor who provided a bid and Andy was unsure, possibly just a minimum is required. All Commissioners are in agreement with the proposal.

2015-12-161

Moved by Towne

Second by Sansom

MOTION

To approve a contract for the Asbestos Survey for the 319 N Lake Street facilities at a unit cost of \$30.95 per sample with Otwell Mawby and authorize the City Manager to sign the required documents, further should the need arise to exceed 70 samples, to authorize the City Manager to proceed as needed with additional sampling at a cost of \$30.95 per sample to complete the project

Ayes: 5

Nays: 0

Absent: 0

Motion carried

**2016 Commission Meeting
Schedule Revision and
FYE 2017 Budget Schedule**

Consideration to approve the revised regular meeting schedule for 2016, also approving the Fiscal Year 2016 / 2017 Tentative Budget Schedule as presented

Clerk/Treasurer Grice discussed that it has come to our attention that two of the dates on the recently adopted 2016 City Commission meeting date schedule conflict with elections. The first is the March 8, 2016 Presidential Primary and the second is the November 8, 2016 General Election. We are proposing moving the March 8 and 22 meetings to March 15 and 29, and the November 8 and 22 meetings to November 15 and 29. Also provided is the 2016 / 2017 Tentative Budget schedule.

Staff Comments: None

Citizens Comments: None

Board Discussion: All are in agreement with the recommendation.

MOTION

2015-12-162
 Moved by Grunch
 Second by Conklin

To approve the revised regular meeting schedule for 2016, also approving the Fiscal Year 2016 / 2017 Tentative Budget Schedule as presented

Ayes: 5
 Nays: 0
 Absent: 0
 Motion carried

Pavilion Bidding Option

Further discussion regarding the bidding of Veterans Park Pavilion remodeling was discussed. City Manager stated the upcoming bidding process for the new city facilities could give us valuable information. It will provide real concrete numbers. Commissioner Conklin said the pavilion committee is trying to find some solutions. Without the grant, this is a lot more complicated. Over \$200,000 has been raised so far. City Manager Cain will continue to investigate the options.

Personnel Policy Update

City Manager Cain discussed the Holiday Bonus. For as long as anyone can remember, all full time City employees with a minimum of one year seniority have received a Holiday bonus. Language governing this included in both the DPW/Water/Wastewater/Maintenance and Police Officer labor agreements. During a recent check, we could not find similar language for our non-union personnel in our personnel policy although this has been a documented annual occurrence at least back to the mid 1990's. The proposed language is as follows:

Section 5.19 HOLIDAY BONUS Any employee who has completed one (1) full year of employment with the City as of December 15th shall be paid a holiday bonus. The amount of the bonus will be one hundred dollars (\$100) per employee except Department Heads who will receive one hundred and twenty-five dollars (\$125) and part time employees will receive fifty percent (50%) of the regular amount.

Staff Comments: None

Citizens Comments: None

Board Discussion: All are in agreement with the recommendation.

MOTION

2015-12-163
 Moved by Sansom
 Second by Towne

To approve the proposed addition to the City's Personnel Policy for the Holiday Pay as presented

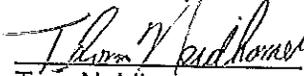
Ayes: 5
 Nays: 0
 Absent: 0
 Motion carried

GOOD OF THE ORDER

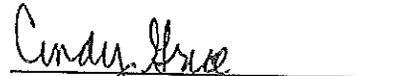
All Commissioner wished everyone Happy Holidays. Commissioner Conklin said he thought the Redevelopment Ready Communities event was really great and he thanked Scott McPherson for everything. He added that Mike Cain's words were eloquent. Commissioner Conklin also commented that after the goal setting in January, the City Manager should explore having a City retreat to guide that process.

**ADJOURNMENT
MOTION**

Motion by Mayor Neidhamer seconded by Mayor Pro-Tem Towne to adjourn the regular City Commission meeting of Tuesday, December 8, 2015 at 9:23 p.m.



Tom Neidhamer
Mayor



Cindy Grice
Clerk / Treasurer