

**APRIL 26, 2016
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 APRIL 26, 2016

CALL TO ORDER

Mayor Neidhamer called the meeting to order at 12:01 p.m. followed by the Pledge of Allegiance.

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

Staff: Lisa Schrock, Michael Cain, Kevin Spate, Scott McPherson, Patrick Kilkenny, Barb Brooks, Mark Fowler, Andy Kovolski and Lori Meeder

Others: There were 67 citizens in attendance including a representative from the Petoskey News Review

CONSENT AGENDA

MOTION

2016-04-052

Moved by Conklin
Second by Towne

2016-04-052A

Approval of the April 12, 2016 City Commission regular meeting minutes as presented

2016-04-052B

Approval to award a contract to Lake Charlevoix Painting in the amount of \$4,800 for sealing the Veterans Park Playground

2016-04-052C

Approval of Traffic Control Order #135 changing the speed limit on Fall Park Road from Boyne Avenue to the City limits to 35 miles per hour

2016-04-052D

Approval of a resolution proclaiming Thursday, April 28, 2016 Arbor Day in the City of Boyne City

2016-04-052E

Approval of a resolution for a Recreation Passport grant to help fund the Fitness Track project at Ridge Run Dog Park and authorize the City Clerk / Treasurer and City Manager to sign the required documents

2016-04-052F

Approval to schedule a Public Hearing for May 24, 2016 regarding Munson Healthcare Charlevoix Hospital Bonding as requested and authorize the City Clerk / Treasurer to issue the required notices and any associated paperwork

Ayes: 5

Nays: 0

Absent: 0

Motion carried

CITIZENS COMMENTS

Cyndy Tonkavich and Nikki Blakeslee, Co-Presidents of the Boyne Valley Garden Club, appreciate the commissioners for their contributions and thanked Andy and his crew for their help. They also look forward to working with the city to add colorful plantings to the new City Hall. Mayor Neidhamer thanked the Garden Club on behalf of the commissioners and citizens.

CORRESPONDENCE

Mayor Neidhamer received a letter from Senator Schmidt and he was appreciative of the city's letter in regard to the Historical District.

CITY MANAGERS REPORT

City Manager Cain reported:

- Final preparations are being made and the old City Hall will hopefully be demolished at the end of the week depending upon utility companies making the proper disconnections. Trees from the old site are being transplanted to other sites starting today, primarily to the open space across from Family Fare.
- The Main Street office is moving to the second floor at 214 Water Street by the end of this week.
- Erica Tosch starts on Monday as the new Main Street administrative assistant and Farmer's Market manager.
- Cain met with a representative from ACD yesterday in regards to establishing antenna locations to improve cellular and communications around the city. They reviewed the location sites and they are very similar to what was reviewed by the commission in June.
- Reminder that absentee ballots are available for the May 3 election.
- Cain will be out on Friday for his daughter Allison's graduation from the University of Michigan.

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

The March, 2016 Financial Statement was received and filed.

**First Reading Amendment
to Sidewalk Café
Ordinance**

Consideration of a first reading for a proposed amendment to the Outdoor Sidewalk Café ordinance, allowing the service of alcohol in conjunction with a sidewalk café and to schedule a Second Reading for June 14, 2016

Planning/Zoning Administrator Scott McPherson explained that after city staff consulted with the City's attorney that an ordinance amendment was the most appropriate means to pursue this policy change. If the commission desires to approve this on a trial basis to set the date that it will be reviewed. McPherson discussed what was talked about at the last Planning Commission meeting and said all issues discussed are available on the minutes. After board discussion it was determined the current definition would need to be amended to allow alcohol service. This is a first reading and if so desired a second reading can be done as early as June 14, 2016.

Staff Comments: Main Street Manager Lori Meeder thinks this is an exciting opportunity for us to try something new, there are a lot of redevelopment projects going on downtown and this can add vibrancy to our town.

Assistant Chief Kevin Spate said he spoke with Chief Gaither and they do not foresee any problems that they cannot overcome and he is in support of it.

Citizens Comments: Jeff Wellman concurs with Meeder. Ward Collins said we are a tourist community and from a tourist point of view it would be beneficial to the community and strongly supports it. Emily Wilmot echoes Ward's comments. Betsy Britton agrees from a young family's point of view.

Kyle Marshall agrees and has 275 signed signatures in support. Joe Manier echoes Meeder and has confidence in local police and restaurant owners.

Sydney Janssens, the coordinator of Boyne Appetit, is in support.

Jim Baumann commends the commissioners for reconsidering this, he said numerous boards are in support and busy sidewalks are a good thing.

Becky Harris agrees with all comments.

Linn Williams agrees with Meeder.

Jessica Bell said as a downtown business owner she thinks this would be a positive move.

Brian Kosminski supports this 100%.

Consideration to review the proposed ordinances and schedule a second reading for June 14, 2016.

Board Discussion: Commissioner Sansom's concerns were addressed and said she is in support for a season and would like it reviewed once the season is over. Commissioner Conklin is in full support and feels our team has spoken and agrees with reviewing it after the first season. Mayor Pro-Tem Towne and Mayor Neidhamer are in support. Commissioner Grunch supports this on a trial basis but not during Stroll the Streets and July 4.

MOTION

2016-04-053

Moved by Conklin

Second by Towne

To schedule a second reading for June 14, 2016 and amend the changes to Article VI outdoor sidewalk café as presented and if adopted to review it by the end of the year.

Ayes: 5

Nays: 0

Absent: 0

Motion carried

Enbridge Pipeline # 5

Consideration to receive and consider the information regarding Enbridge pipeline #5 and then determine what, if any, action it wishes to take on the matter.

City Manager Cain said at the City Commission's February 23, 2016 meeting we were approached by Adam Kennedy and Sheri Rhoads who asked the City Commission to consider passing a resolution opposing the continued operations of the Enbridge Pipeline #5 that runs under the Straits of Mackinaw. Pipeline #5 has generated much publicity and discussion lately. Last fall the Northern Michigan Chamber Alliance hosted a meeting for Enbridge to discuss this matter with representatives from our area at Boyne Mountain. The State is looking into this matter and the Attorney General has recently requested additional information regarding the pipeline in a more user friendly format. Several communities from across the state have approved resolutions addressing Pipeline #5 in one way or another. In our area Charlevoix (both City and County), East Jordan, and Petoskey have approved resolutions on this matter. In talking to Mr. Kennedy and Ms. Rhoads they are requesting that we consider adopting a resolution similar to the one adopted by Cheboygan County. The objective in this matter is that the City Commission have access to as

many viewpoints on this matter as possible so it can gather and weigh the relevant facts and determine what, if any, action it wishes to take on this matter. While there is a natural gas transmission main that passes through a portion of our community, Pipeline #5 does not. After the presenters and audience speaks, City Manager Cain suggest the City Commission give another opportunity for Mr. Kennedy and/or Ms. Rhoads, Ms. McKay and then Mr. Manshum, in that order, to follow up on anything they would like to address that was raised during the public input. The matter would then go to the City Commissioners for deliberation. This is a very complicated matter with lots of factors and points of view. We want to give the opportunity for those to be expressed and presented to the City Commission for consideration and then determine what, if any course of action, it wishes to take. Given the nature of this matter and the fact that a lot of information will be presented to the Commission at the meeting I want to remind the City Commission and the public that postponing any decision on this matter to a future meeting is a legitimate option it may wish to consider if it feels necessary.

Mayor Neidhamer said the presenters will be given approximately 30 minutes each to present.

Presentations from Jennifer McKay, Policy Director for Tip of the Mitt Watershed Council, Jason Manshum from Enbridge, Adam Kennedy Friends of the Boyne River and Dr. Edward Timm PhD were given.

Staff Comments: None

Citizens Comments: GT Long of Horton Bay asked Enbridge if Line 5 supplies propane to residential customers in the northern lower peninsula, north of Grayling. Blake Oleson of Enbridge said all of Michigan gets propane from Line 5 through retailers. Joann Beemon of Charlevoix asked what does it mean outside the scope of useful life. Ms. McKay said she does not know yet. Mr. Manshum said every pipeline is different and when you start to see signs of age or deterioration as well as environmental or human risk to a line if a spill was to occur that is when you make the determination to make a repair to as invasive as a full replacement and shut down of the line. There is no particular age or lifespan of a line. Joe Manery asked Enbridge where are the two closest shut off valves and a best case scenario how much of that would go into the Straits of Mackinaw. Mr. Oleson said depending on where and how big of a break and what the pressure is. The valves will close on either side and the shut offs are on either shore. Vince Lumbada spoke about the pressures and said there is still a risk of oil to leave the pipe into the Straights of Mackinaw and mentioned this is a vintage pipeline and he is nervous about the pipeline. He does think pipelines are a safer alternative and more efficient than moving it on the lakes or by train and trucks. Neil Brewster of Cheboygan asked Ms. McKay if Tip of the Mitt was against the pipeline but felt the presentation was supporting it. Ms. McKay said they do have a policy statement approved by the board of directors to decommission the pipeline but they also recognize it won't happen right away. He also brought up swimming as a kid in lakes and if there was a leak that would not happen anymore. Mickie Barnhart of Charlevoix asked as Mr. Manshum spoke about the Straits and Dr. Timm talked about the whole line and she asked the commission to consider the whole line. Lon Johnson, Candidate of US Democratic Congress thinks pipelines are the

safest way to move oil but there are smart places and not smart places to put a pipeline. There is a 63 year old pipeline in the Straits of Mackinaw and if there was a leak it would be a disaster. He said water will be our most valuable resource. He believes there are other options to get propane around. He would like to see the pipeline shut down, run an independent inspection to verify the pipeline is 100% safe and to work with the governor's pipeline task force. Ann Sekowski of Charlevoix County said she realizes Enbridge is sorry about the oil spill in Kalamazoo but being sorry isn't enough and no matter how good the response scenarios are, there is still a risk. One out of five jobs in Michigan depend on clean great lakes water. When the lakes are frozen it would be hard to get to the spill if one occurred. She urged the commissioners to have the line shut down. Michelle Archer of Boyne City said she thinks the pipeline should be shut down. David Wire from Straits of Mackinaw spoke of Mr. Manchum's comments about the information that Enbridge had given the Attorney General and the technology today is better than when the pipeline was built. He added that if a permit was received today for this pipeline it would not be built under the Straits. GT Long commented on Ms. McKay's comments that it is not going to happen overnight or next week and he would like to have that in writing. Bill Hart of Horton Bay said Enbridge had a great presentation but wonders why they won't allow an independent inspection of the line and who is really liable if there is a spill. Enbridge could claim bankruptcy. Gordy Borland of Petoskey said he thinks the pipeline is on borrowed time. Dr. Timm had a letter from the Attorney General and a letter he wrote to the governor and gave a copy to the commissioners. Vince Lumbada spoke of the contingency plans that Enbridge has in case there is a spill in the Straits of Mackinaw and the short comings. Annabelle Dyer of Mackinaw City said they have been working for months on a resolution. She thinks the line's age, corrosion and stress will become a problem. She asked the commissioners to join the other communities. Karen Martin of Cheboygan asked the commission to join their neighbors. Rick Beman of Charlevoix would like to see Line 5 shut down and to see a resolution passed for that matter as soon as the commissioners can. Nancy Cunningham of Boyne City said they are called great lakes and thinks we need a great effort to keep the water clean.

Mayor Neidhamer gave another opportunity for Ms. McKay, Mr. Manshum and Dr. Timm to have closing statements.

Board Discussion: Commissioner Conklin said he was impressed with the effort of everyone in attendance and appreciates it. He supports moving forward with a resolution. Mayor Pro-Tem Towne thanked everyone for coming and for their input. He asked if the State collects money from Enbridge for right-of-way fees. Mr. Manshum said the closest thing would be they pay property taxes for pipelines and annually they pay the State of Michigan about 22.5 million dollars for pipeline right-of-way. Mayor Pro-Tem Towne asked if the pipeline inspection was available to anyone and Mr. Manshum said it had not been but now it is. Commissioners Grunch, Sansom and Mayor Pro-Tem Towne said they will support a resolution to shut down Line 5. Mayor Neidhamer said this started with Friends of the Boyne River coming to the commission meeting. He is in support of a resolution and would like to revisit this.

2016-04-054

Moved by Neidhamer

MOTION

Second by Conklin

To follow through with a resolution based on help from Tip of the Mitt Watershed, based on facts, and resolutions from other communities and this will be brought back before the commission in support of restrictions, guidelines and statements concerning Pipeline 5 by the May 24, 2016 City Commission meeting

Ayes: 5
Nays: 0
Absent: 0
Motion carried

Mayor Neidhamer thanked the speakers.

MOTION

2016-04-055

Motion by Mayor Neidhamer seconded by Commissioner Conklin to have a 5 minute recess at 2:58 p.m.

Ayes: 5
Nays: 0
Absent: 0
Motion carried

MOTION

2016-04-055A

Motion by Mayor Neidhamer seconded by Mayor Pro-Tem Towne to reconvene at 3:06 p.m.

Ayes: 5
Nays: 0
Absent: 0
Motion carried

**FY 2015/2016 Budget
Amendments**

Consideration to approve the FY 2015-2016 budget amendments as presented in compliance with accounting and budgeting standards

City Manager Cain said in the agenda packet there is an annual memo from the City Clerk/Treasurer Cindy Grice. After consulting with all the department heads, these are the recommended budget amendments.

Staff Comments: Barb Brooks stated that for the marina portion, there is a line item that is a moving target; it is the season boater payments that are due by April 30. You will see a large discrepancy because the payments are still coming in. Payments that come in after May 1 go on to the next budget year.

Citizens Comments: None

Board Discussion: Commissioner Conklin had his questions answered. All commissioners were in agreement.

MOTION

2016-04-056

Moved by Towne
Second by Conklin

To approve the Budget Amendments for FYE 2016 as presented in compliance with Accounting and Budgeting standards.

Ayes: 5
Nays: 0
Absent: 0
Motion carried

**Flotation Docking Pier
Repair**

Consideration to hire Flotation Docking Systems to repair the floating dock, near the boat launch as outlined in option 1, in the anticipated amount between \$8,000 and \$9,000 and authorize the City Manager to execute the documents

Harbor Master Barb Brooks reviewed the two different options from Flotation Docking Systems to repair or replace the dock closest to the small boat launch. There has been some minor repairs on it but it is to the point where we need to do a major repair to make it safe and reliable.

Staff Comments: None

Citizens Comments: None

Board Discussion: There was some discussion and all commissioners are in agreement.

MOTION

2016-04-057
Moved by Sansom
Second by Towne

To approve to hire Flotation Docking Systems to repair the floating dock near the boat launch, as outlined in Option 1 for the amount between \$8,000 and \$9,000

Ayes: 5
Nays: 0
Absent: 0
Motion carried

Pavement Marking Bids

Consideration to award a bid to PK Contracting for our annual Pavement Marking.

Streets Superintendent explained there were two bids received and the city has used both companies in the past. PK Contracting was the low bidder.

Staff Comments: None

Citizens Comments: None

Board Discussion: All are in agreement.

MOTION

2016-04-058
Moved by Towne
Second by Sansom

To approve and award the low bidder to PK Contracting for pavement marking services for the amount of \$13,423.25 and authorize the City Manager to sign the required documents.

Ayes: 5
Nays: 0
Absent: 0
Motion carried

Marina Truck Purchase

Consideration to allow staff to search and purchase a used truck for use at the marina in an amount not to exceed \$10,000.

Harbor Master Barb Brooks explained the current vehicle is older, rusted and needs a lot of repair. It is not attractive as a city vehicle. Funds have been budgeted for this.

Staff Comments: Streets Superintendent Andy Kovolski recommends not selling the old vehicle, instead send it to the junk yard.

Citizens Comments: None

Board Discussion: All are in agreement.

MOTION

2016-04-059
Moved by Conklin
Second by Grunch

To approve staff to search and purchase a used truck for use at the marina in an amount not to exceed \$10,000

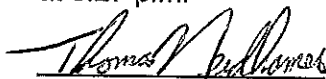
Ayes: 5
Nays: 0
Absent: 0
Motion carried

Good of the Order

Commissioner Sansom thought the Commission Chambers looked and smelled better. Mayor Neidhamer asked City Manager Cain if he thought NLEA meeting on May 19 at Boyne Mountain would be a good thing to attend. Cain thinks we should give it a try and to let him or Lisa know if they are interested in attending.

ADJOURNMENT

Motion by Mayor Neidhamer seconded by Mayor Pro-Tem Towne to adjourn the regular City Commission meeting of Tuesday, April 26, 2016 at 3:27 p.m.


Tom Neidhamer
Mayor

Lisa Schrock