



ACME TOWNSHIP SPECIAL BOARD MEETING
ACME TOWNSHIP HALL
6042 Acme Road, Williamsburg MI 49690
TUESDAY, OCTOBER 23, 2007, 7:00 p.m.

CALL TO ORDER WITH PLEDGE OF ALLEGIANCE AT 7:00 p.m.

Members present: B. Boltres, D. Dunville, W. Kladder, P. Scott, E. Takayama, F. Zarafonitis
Members excused: None
Staff present: S. Vreeland, Township Manager/Recording Secretary
C. Bzdok, Legal Counsel (7:30 p.m.)

INQUIRY AS TO CONFLICTS OF INTEREST: None noted

APPROVAL OF AGENDA: Motion by Zarafonitis, support by Scott to approve the agenda as presented. Motion carried unanimously.

A. LIMITED PUBLIC COMMENT: None

B. CORRESPONDENCE:

C. OLD BUSINESS

1. **Interview applicants for vacant Trustee position, select candidate and administer Oath of Office:** Kladder noted that while he may Chair the meeting and moderate the process, he may not vote to select the replacement for the position he recently vacated. The interview order was selected by random draw.

Matthew Vermetten

Zarafonitis stated that he knows Vermetten and has few questions for him, save why he would be seeking to add to his workload at this time. Vermetten replied that he has worked for the township through part or all of four different administrations (Ritter, Amon, Kurtz and Kladder). He feels he brings a unique perspective to the position. He would seek to remain on the Planning Commission as well.

Dunville asked if he would want to remain Chair of the Planning Commission; he would welcome the opportunity to do so.

Boltres and Scott stated that they had no questions.

Takayama stated that he is only familiar with Vermetten from his experience as the Board representative to the Planning Commission. Over the years he said they had "buted heads" over some issues, and he recalls that Vermetten holds firmly to his stance on a subject. Takayama does as well. He recalls that generally he was the one to back down, which would be unusual for him. The 7-member Board is not always in agreement. Sometimes he is not in the majority, but sometimes after participating in discussion he has voted differently than he expected to before the meeting. Takayama's question comes down to how Vermetten would deal with a situation where he had one position and the majority of the Board had another. Would he be able to take all of their opinions into consideration? Vermetten believes that he and Takayama have been on the same side of more issues than they have opposed one another, and in fact they have joked about it together. Vermetten feels he has developed the skill of being able to assess the full range of information and being open to new information. He also maintains the ability to stick to his position when he feels it's warranted, even though some times his point of view has been changed by the course of a meeting. The township is

made up of many different people and this can be one of the community's strengths. He feels he has demonstrated his ability to be flexible.

Dunville asked what Vermetten sees as critical issues. Growth was the obvious topic, and he feels the township is headed towards "sane, sensible" growth despite divisiveness over the past few years. People must speak to and hear their neighbors, recognize the variety of viewpoints and move forward together.

Ron Hardin

Dunville asked why Hardin is interested in the Trustee position. Hardin stated that it was the job he originally sought in the last election. He originally intended to run as an independent, but once the results of the primary were evident he felt that his viewpoint was well-represented and did not actively run for the remainder of the race.

Boltres and Scott stated that they had no questions.

Takayama stated that he has become acquainted with Hardin through the Planning Commission, which has also led to a casual friendship. He feels they share common viewpoints, such as fairness and integrity. It is therefore hard for him to come up with a question. Sometimes Hardin's votes on the Commission have surprised him, but Takayama respects that they were based in the law and that he is a very fair-minded man.

Zarafonitis stated that he had no questions. He also knows Hardin casually and agrees he is fair-minded. He has sought to educate himself to be an effective Planning Commissioner.

Hardin stated that the Trustee opening gave him a new opportunity to consider the job. He would also seek to remain a Planning Commissioner if appointed, and would like to serve the township in the best capacity possible.

Jay Zollinger

Boltres asked if Zollinger went to Ohio State; he did.

Scott had no questions.

Takayama feels that Zollinger's previous interview for the Supervisor position was very thorough. As a Planning Commissioner one must follow the dictates of the Zoning Ordinance as the basis of forming a decision; as a Board member there seems to be more latitude for personal opinion when making decisions in accordance with the law. The will of the people comes into play to a higher degree. He asked if Zollinger is up to handling the challenge fairly, and how would he gather opinion to make decisions in accordance with the wishes of the general public. Zollinger stated that in his experience managing over 1,600 people across the country, he had to make decisions based on the best information at hand and on talking to people throughout the community. Both rural and non-rural points of view must be incorporated.

Zarafonitis stated familiarity with Zollinger through the previous set of interviews. Dunville concurred.

Zollinger appreciates the opportunity to participate in the process again. Whoever wins the job needs to be cognizant that the rural/farming community is not well-represented on the Board currently. They are significant landholders and citizens of the community.

There was general consensus that all three candidates are well-qualified. Takayama feels Vermetten would bring a strong and outspoken personality to the mix, with no doubt where he stands on the issues. Zollinger would bring a more diplomatic and neutral presence to the Board. He achieved status previously through integrity, but he is less experienced in the local government arena. He has come to know Hardin over the past several years as extremely fair, and has always been able to discuss their viewpoints openly even if they don't ultimately come to agreement. For this reason Hardin is the leader in his mind.

Zarafonitis agreed with much of Takayama's comments. He feels Hardin would be fair and that disagreement can be good to promote discussion about the issues. Zollinger would bring a fresh perspective to the Board. Vermetten would bring substantial experience. He leans towards Hardin.

Dunville feels all three candidates are very strong. Hardin has been interested in the position for a long time, and it is very easy to have a productive give-and-take with him.

Boltres supports Zollinger, who has substantial business expertise and has faced many problem-solving situations. These skills would be very valuable to the Board.

Slips of paper were passed out to the Board members, with instructions to write their names and "yes" or "no" to the following motion: .

Motion by Zarafonitis, support by Takayama to select Ron Hardin to fill the unexpired term of Trustee. Motion carried by a vote of 4 in favor (Dunville, Scott, Takayama, Zarafonitis) and 1 opposed (Boltres).

Hardin was sworn in by Clerk Dunville.

A recess was declared from 7:30 p.m. to 7:44 p.m.

2. **Discuss Septage Treatment Plant bond payment:** Kladder stated that it has been confirmed that the County is willing to make a loan to the townships to cover the November septage treatment plant bond payment, as plant revenues will be insufficient. At the last meeting the Board voted to cover its share of the shortfall directly from the Sewer Fund balance, but in light of the interest-free loan offer from the County perhaps we should reconsider.

Motion by Scott, support by Zarafonitis to reconsider how to make Acme Township's share of the November septage treatment plant bond shortfall payment. Motion carried unanimously.

Motion by Scott, support by Dunville to accept a 0% interest loan from the County if offered to make the payment; if not, to make the payment from the township's Sewer Fund. Motion carried by unanimous roll call vote.

D. NEW BUSINESS

1. **Consider approval of RFP for consulting services – Parks & Recreation Plan mandatory 5-year update:** Vreeland summarized her memo. The township's Parks & Recreation plan will be fully five years old in February 2008, and must be updated every five years to maintain eligibility for DNR Trust fund grant applications. The Shoreline Preservation Advisory at a minimum has expressed interest in making application. Vreeland's memo provides a potential timeline for attempting to update the plan in time for the first DNR trust fund application deadline on April 1. She, Parks & Recreation Advisory Chairman Owen Sherberneau and Kladder discussed performing the work entirely in-house but feel this is not achievable under current circumstances. Earlier in the year the township asked R. Clark Associates for a bid, as they helped prepare the current plan and we assumed the update of

the existing plan would be a fairly simple matter. However, DNR plan requirements have changed over the past five years and the revision process will be more extensive than originally anticipated. Mr. Clark's bid also came in significantly higher than anticipated, which is why they feel seeking additional bids would be a good idea at this point.

Motion by Scott, support by Dunville to allow the township to seek bids for update of the Parks & Recreation Plan.

Takayama noted that the requirements for updating the parks plan are extensive. He agrees that the plan is important, but notes that a timeline for updating it prior to an April 1 DNR Trust Fund grant application deadline is very tight and might not afford enough time to put together a truly worthy document with sufficient public input. He also wonders if the Shoreline project is truly fitting to the DNR Trust Fund mission. Vreeland replied that there are two application deadlines per year; April 1 and August 1. Applications for land acquisition projects can be submitted on April 1 for scoring and commentary; the community can revise the application with this feedback in mind and resubmit on August 1. If the April 1 deadline is missed there won't be any money left on the table, just the opportunity to use feedback to enhance the chances for success. Also, Keith Charters is a member of the DNR Trust Fund board, and he has strongly encouraged the Shoreline Preservation Advisory to make the application.

Motion carried unanimously.

2. **Discuss proposed changes to Road Commission road project cost matching requirements**: The Road Commission has recently provided updated road condition reports to the township. They have also provided a suggested new schedule of road project matching requirements and are asking for our feedback. The proposed schedule places more of the burden than was previously generally the case on non-Road Commission sources (such as the township or the public through special assessment districts.)

Kladder stated that Vreeland has observed that if the Road Commission matched all projects according to the schedule, while it would be less than they generally matched in the past (50%) it would be more than they are currently providing due to budget constraints (0%).

Zarafonitis noted that the Road Commission has not been putting money into the roads with the exception of filling potholes. He is concerned about the rate at which projects become finished – the current Bunker Hill Road project is moving very slowly and perhaps could be subcontracted more efficiently. There seemed to be a general perception that that Commission crews work slowly and that the quality of work isn't high.

The Board would like to know if they can assume that the Road Commission will have sufficient funds to consistently make their proposed contributions. Vreeland expressed concern about having chip sealing/wedging become 75% paid for by the public whereas now it is paid 100% by the Road Commission – a significant difference. Takayama asked if it is possible to have county road projects contracted out rather than having them performed by Road Commission crews. Vreeland has looked into the question before; state law says that the Road Commission has the right to design and construct if they choose, but may permit private contractors to do the work to their specifications instead.

E. PUBLIC HEARINGS

1. **Proposed 2008 Metro Fire Department Budget and 2007-08 fiscal year Fire Protection Special Assessment levy rate** : Metro Chief Pat Parker stated that most of the proposed budget increase would go towards staffing additions to be able to serve over 2,300 emergency calls per year. Gone are the days when a primarily volunteer staff is adequate, particularly as training requirements are substantial. Older department members seem able to dedicate more

time than newer members who have many demands on their time. Right now average response time is 9 minutes, and the goal of additional staffing is to decrease the amount of time it takes to arrive on scene. Metro has applied for a SAFER grant to offset the additional staffing costs over a five-year period; the grant level decreases each year so that at the fifth year the staff is entirely locally funded.

Metro's goals include maintaining current services, enhancing services, and paying all costs of each local station. East Bay and Acme still have expenses they are paying in addition to the quarterly Metro operational payments (utilities, maintenance and some staffing.) They want to decrease on-site time ultimately to 3-minutes, with a short-term goal of being there under 7 minutes. Someone would be on-duty in the Acme station 5-days per week. There would be one full-time Captain per station, with additional paid staffing. Station 9 is currently staffed around the clock, as would the new Station 1 on Three Mile Road. Acme Station 8 would have a Captain 5 days per week and 2 paid on-call people each night, as would East Bay Station 9. Station 1 will have a fire truck and a ladder truck and will respond to calls for all three of the other stations. The Heavy Rescue truck will also move from Station 9 to Station 1, closer to where most of the need for it exists. The SAFER grant would pay for three station Captains and three additional staffers.

In the 1980's the current general fire department structure was formed: the Metro Fire Department, Rural Fire Department and a Grand Traverse County Administrative Board through which they cooperated. The latter body is being discontinued, and shared staffing hired by it is being reassigned along with associated expenses. The Admin Board used to share space with Metro, which will now need to pick up all of the costs of the facility.

The Public Safety Advisory is recommending to the Board of Trustees that the special assessment rate be raised from the current 1.5 mills to 2 mills to cover the proposed 2008 Metro Fire budget. Chief Parker believes that the changes will enable a change in insurance rating from 6 (if within 1,000 ft. of a fire hydrant or 5 miles of a station) to 4. This will primarily assist the business community, although it could reduce homeowner's insurance premiums slightly as well. Reducing on-scene times will enhance survivability and reduce property losses.

Zarafonitis asked how much a half-mill increase will affect a home valued at \$200,000; it would be \$100/year. Chief Parker observed that nobody needs increased costs at this time, but the reduction in risk would be beneficial.

Hardin asked if the ability to receive the SAFER grant is impacted by the proposed department reorganization under PA 51; the two are completely separate. Chief Parker is feeling confident that the SAFER grant will come through because last year much of the money appropriated by the federal government went unspent due to a lack of applications. The proposed budget was presented to East Bay Township last week; they decided to maintain their ambulance service and are increasing their assessment 0.11 mills, funding much of the needed increase through a fund balance. Garfield has approved the budget as well. After Acme's action, the next step would be a public hearing by the Metro Board.

Hardin asked if there is an impact on expenses related to Homeland Security requirements. He is conscious of what the Resort had to endure in that regard in order to host the National Governor's Association Conference. Chief Parker stated that Metro spent \$15,000 to service the event, all of which was reimbursed to the department because the event was declared eligible pursuant to FEMA for federal funding.

Takayama observed that the proposed budget assumes the SAFER grant is received. What happens if it is not? Chief Parker stated they would have to reassess, probably hiring only two Captains for the same budget amount. Kladder asked where they would be stationed;

probably at Stations 1 and 8. Takayama asked whose notations are on some of the pages; Ladder's and Vreeland's.

The levy rate has been at 1.5 mills for approximately 6-7 years. There was a 1 mill special assessment in place since 1981, to which a 0.5 mill millage was added in the late 1990's to account for funding difficulties because we are charged based on SEV but collect revenue based on taxable value. Two years ago both funding mechanisms were combined into a special assessment adjusted annually to cover actual proposed budget costs – it can go up or down annually.

This year the special assessment amount will still cover fire protection only; the policing millage will be collected separately for the last time this year. Next year the special assessment would be set to cover the expenses for both fire and police protection.

Currently the majority of service calls are for medical emergencies. They render basic first aid until an advanced life support ambulance can arrive from Northflight on Hastings Street.

The Board asked about the current balance forward in the Fire Fund. Vreeland reported that the township ate into the fund to the tune of about \$45,000 last year and projected to do so again in the current fiscal year by about \$53,000. This was a conscious decision based on recommendation from the Public Safety Advisory once the funding mechanism became the annually-adjusted special assessment two years ago. Since each year the levy can be adjusted to provide the required level of revenue, there is a general desire to prevent tax increases whenever possible, and the fund had a substantial balance of public tax money already collected, it seemed desirable to use the money on hand rather than increasing the levy rate. This summer we became conscious of a cash flow problem at the new fund balance level due to the fact that we collect revenue only once a year in December but pay out expenses constantly. A cash flow spreadsheet predicted that right around this time of year the fund balance could temporarily dip below zero until tax revenues begin to flow again. The proposed 2 mill levy would cover anticipated Metro Fire expenditures plus add a little back to the fund balance to correct for this situation.

Public Hearing opened at 8:36 p.m.

Zarafonitis asked what the proposed percentage increase in the Metro budget is: about 13% but it does include expenses paid for by the local townships currently.

Owen Sherberneau, 7883 Peaceful Valley Road said he can think of nothing he'd rather spend tax money on than fire and rescue. He feels the fire department does a tremendous job and would like to see response times reduced. He would support the proposed half mill increase in the levy rate.

Public Hearing closed at 8:37 p.m.

Dunville believes it's important for the public to feel confident in their emergency protection. Zarafonitis agrees, and feels that if any tax increase must be had the public would tend to support one for this purpose more than for others. He is concerned to know whether the SAFER grant is being received. Takayama hates to see a tax increase when times are difficult for many people; he feels that schools, police and fire protection are key to quality of life. Scott is not eager to pay or collect extra taxes in tough times, but \$50.00 per \$100,000 of taxable value is well worth the safety. Hardin also supports the proposal. Kladder feels that moving the Metro strategic plan forward is a good thing even though economic times are tough. This is at least a small step towards lowering the cost of doing business in Acme Township. He directed attention towards the proposed resolution.

Motion by Scott, support by Dunville to adopt Resolution #R-2007-18, setting the special assessment levy for fire protection for the current year at 2.0 mills.

Scott read the resolution aloud.

Boltres asked if the resolution is calling for the currently separate Fire and Police Protection funds to be merged. Vreeland replied that it is not, although the wording in the resolution recognizes that earlier this year the Board approved redefinition of the special assessment from being solely for fire protection to being for emergency services including police and fire protection. The Board also approved combining the two funds, but this has not been done yet pending some ongoing internal procedural discussions. Boltres is concerned that if the two funds are mingled, state liquor control funds that must only be spent towards policing would be jeopardized. The state sends a letter annually reminding the township of this fact and that they can ask to see our liquor control records at any time. Boltres is concerned because we don't have those records in-house. Vreeland appreciated the concerns, but noted that we receive liquor control funds of about \$10,000/year whereas policing costs this year are about \$67,000, so clearly the liquor control funds can be offset by policing costs. In the past she has spoken with Undersheriff Nate Alger, who has assured her that the liquor enforcement records are available at any time we ask for them. The Board asked that Vreeland obtain the information to have on file in-house for a higher level of comfort that we are in compliance.

Motion carried by unanimous roll call vote.

F. PUBLIC COMMENT: None

Kladder stated that the Board will enter closed session. He does not anticipate that any motions will be required afterwards but people are welcome to stay and wait if they wish.

Motion by Takayama, support by Scott to enter closed session to discuss pending litigation in CCAT v. Acme Township v. The Village at Grand Traverse LLC and Meijer Inc., and in Meijer Inc. v. Acme Township because discussion in open session could have a detrimental impact on the financial interests of the township. Motion carried by unanimous roll call vote.

Regular meeting recessed at 8:48 p.m.

Motion by Takayama, support by Scott to reconvene the public meeting at 9:56 p.m. Motion carried unanimously.

Meeting adjourned at 9:56 p.m.