



**ACME TOWNSHIP SPECIAL BOARD MEETING**  
**ACME TOWNSHIP HALL**  
**6042 Acme Road, Williamsburg MI 49690**  
**Thursday, December 29, 2011, 12:00 Noon**

**MEETING CALLED TO ORDER WITH THE PLEDGE OF ALLEGIANCE AT 12:05 p.m.**

**Members present:** D. Dunville, W. Kladder, E. Takayama, L. Wikle, F. Zarafonitis (12:33 p.m.)  
**Members excused:** R. Hardin, P. Scott  
**Staff present:** S. Vreeland, Township Manager/Recording Secretary  
 J. Jocks, Township Counsel

**A. LIMITED PUBLIC COMMENT:** None

**B. SPECIAL PRESENTATIONS/DISCUSSIONS:**

1. **Discuss purchase of "Mt. Jack's Property" 5555 US 31 North:** GT Regional Land Conservancy's Matt McDonough explained the status of the process for purchasing the Mt. Jack's property as part of Phase II of the shoreline preservation project. He read a clause from the rules governing property acquisitions using Michigan Natural Resources Trust Fund grant money that specifies that grant money from this program cannot be used to acquire a property on which a private easement right exists. This has been the basis of efforts between the Conservancy, the township's attorney and representatives for the current property owner and the marina owners to extinguish various easements that exist between the two entities. These easements include the right of the marina to use what is known as "E Dock," the portion of the Mt. Jack's property immediately adjacent to the water's edge which is part of the marina operations, and the northern driveway onto the Mt. Jack's property.

To comply with the cited Trust Fund requirements the Mt. Jacks' property was surveyed. It was agreed between all parties, with approval in concept by the township, that E Dock and an area including the northern driveway would be conveyed by the current property owner to the marina, and the marina would grant a public use easement back to the township. The township would also acquire ownership of the property if and when marina operations were to cease. Addenda to the two required property appraisals were also obtained that offered an opinion that the transfer of property would not affect the appraised value of the property. All the documentation was sent down to the Trust Fund staff in Lansing approximately two weeks ago for review and approval of a change in the legal description of the property to be purchased with no change in the purchase price.

Late last week we became aware that the Trust Fund staff had not opened the e-mails containing the information. Due to the holidays, we were not able to communicate with the staff until yesterday morning. McDonough and Jocks have been in constant contact with all parties throughout the day yesterday. The Trust Fund appraisal reviewer did not agree with the local appraisers that the value of the property would not be reduced. The Trust Fund has informed McDonough and Jocks verbally, with written confirmation to follow, that contrary to the stated rules they would approve the purchase of the property in its entirety with use easements to the marina over the portions that otherwise would have been deeded to them by the current owner with an easement back to the township.

During the day yesterday and today McDonough and Jocks worked on revised easement agreements and trying to contact all parties. Their current proposal is to close on the purchase tomorrow but the funds would be held in escrow until all parties have been able to sign all the necessary new documents. The authorized marina representative is in Florida and in surgery today, and one of the two Mt. Jack's owners is also in Florida so the documents will have to be sent to them for signature. The other Mt. Jack's property owner signed the documents this

morning. If the township closes on the purchase of the property on or before December 31 the property will assume tax-exempt status for 2012. If not, the township would have to pay an additional approximately \$22,600 for taxes for all of 2012. All of the deeds and documents will be dated December 29 or December 30 which will satisfy the date of transfer requirement regardless of when the escrowed funds are finally released.

Board member questions centered on potential liability to the township for marina-related activity on E Dock. Jocks stressed that the easement language has been constructed such that the marina is indemnifying the township against any and all liability related to marina use of township property. Although the marina will continue to have an easement to use the northern driveway, they will no longer have an easement to use the Mt. Jacks' parking area and will need to limit their parking to their own property. The marina could renovate or replace the docks and finger piers attached to E Dock under the terms of the easement for as long as the facility remains in use as a marina.

Before the latest difficulties it was planned that the closing would be today and McDonough and Vreeland would travel to Lansing next week to deliver copies of the final closing documents to the Trust Fund staff to obtain reimbursement of 90% of the grant's share of the purchase costs. 10% of grant funds are routinely retained by the Trust Fund until all disbursements have been made for each grant and a final audit of all related documentation has been performed. Now the trip would not be made and the reimbursement will not occur until after the escrowed funds are released. Wikle noted that the township has been waiting for reimbursement of the final 10% of the Phase I grant money, which is close to \$300,000, for six months now. McDonough will contact Steve DeBrabander at the Trust Fund and press for immediate release of those funds along with 90% of the Mt. Jack's costs next week.

Given the update on the status of the closing, the Board is being asked to consider a motion on the purchase of the property under the updated conditions.

**Motion by Wikle, support by Takayama that the township move forward with the purchase of the Mt. Jack's property, which shall be the entire Mt. Jack's parcel with easements in place to the East Bay Harbor Company over the curb cut area and the E Dock. The Supervisor, Clerk, Treasurer and Manager shall have authority to sign all necessary documents. Final closing will be subject to the Michigan Natural Resources Trust Fund's approval and all other parties signing all necessary documents. Motion carried by unanimous roll call vote.**

**M. PUBLIC COMMENT & OTHER BUSINESS THAT MAY COME BEFORE THE BOARD:**  
None

**Meeting adjourned at 12:46 p.m.**