



ACME TOWNSHIP REGULAR BOARD MEETING
ACME TOWNSHIP HALL
6042 Acme Road, Williamsburg MI 49690
Tuesday, July 7, 2009 6:30 P.M.

MEETING CALLED TO ORDER AT 6:30 P.M.

Members present: D. Dunville, R. Hardin, W. Kladder, P. Scott, E. Takayama (6:45), L. Wikle, F. Zarafonitis

Members excused: None

Staff present: S. Vreeland, Township Manager/Recording Secretary
C. Bzdok (7:00), Legal Counsel
T. Henkel, Parks & Maintenance Supervisor

A. STUDY SESSION:

1. **Septage Treatment Plant Discussion – K. Ross Childs:** Mr. Childs is currently heading up the DPW. He is here to update the Board regarding the septage treatment plant and answer questions. The plant is open and has been taking waste since 2005, was built within budget and was substantially complete (for all but grease collection) within days of the target date. One wall subsequently fell down, and the engineering firm NTH was hired to oversee reconstruction (paid for entirely by insurance proceeds, Gourdie Fraser and Christman, who paid over \$1 million over and above what their insurance companies paid) and inspect the rest of the facility. Grease was not accepted until 2007 or 2008. A little over \$400,000 has been loaned by the County to the 5 townships interest-free for the facility. Of that money \$100,000 was repaid last year. Operations for the last 12 months were in the black and supported some of the bond payments. The addition of waste from Bay Harbor has helped support the plant financially. In June over 2 million gallons of waste was received from Bay Harbor, nearly double what was received in the same month last year. They can bring up to 70,000 gallons/day, and are averaging around 64,000 gallons/day 365 days a year. The plant has been approved to receive a new wastewater stream of about 50,000 gallons a day that will add up to \$1,500 per day in revenue. If this continues at current levels the plant should be able to completely repay the County loan at the end of the year.

An increase in fees or an increase in waste volume is necessary to ensure the future fiscal health of the plant. One possibility under discussion is a special assessment of up to \$150/year on all septic tank users. Out-county waste, grease, holding tanks and other special wastes would be paid for separately. Mr. Childs anticipates up to 6 public meetings on this issue around the county to receive public input on what would be the most fair.

They are trying to rebuild confidence in the plant and the DPW, which is difficult in light of the *Record Eagle* coverage of the issue. The paper has not published that the plant is operating in the black and has been for some time. The DPW is also seeking savings in operating costs, including through possible wind generation of power. A wind tower cannot be at the septage treatment plant due to proximity to the airport, but perhaps one could be located elsewhere. They are trying to find ways to be able to receive cherry processing wastewater, and making the Class-A biosolids that result from the treatment process a saleable material.

Some of these goals depend on grant funding. Most local sewer systems were built using 80/20 funding; sewer users did not have to pay the full cost of construction. Those funds are not available for this situation. They are seeking ways to ensure that all septage generated in the county comes to the plant, rather than being hauled to out-of-county facilities.

Mr. Childs is unsure of the status of the proposed investigation of wrongdoing. He has received three letters of interest from engineering firms that would like to help with phase 1 of the process as proposed by Chris Bzdok. The question is whether or not Gourdie Fraser and/or Michael Houlihan used a reasonable standard of care when designing the plant and estimating the required capacity. In the second step would be a determination of whether substantial completion occurred on time, or whether penalties are due for missing the required deadline. Another question is whether any potential recovery of amounts due is cost-effective compared to the potential costs of litigation.

Mr. Childs recommended creation of a Sewer & Water Committee of the DPW in the 1990s to ensure that all sewer-using communities had representation at the DPW. It used to work well, but has not worked well of late. Perhaps it is time for that committee to be dissolved and have all sewer-using communities be given a seat on the Board of Public Works (BPW).

Kladder noted that one question is how much money should be built up in a fund for future repairs and maintenance. A decision has not been made, but based on discussion to date the figure may be around \$300,000. This will affect changes in fees and charges.

Zarafonitis asked what happens to the sludge produced by the septage plant; right now it is hauled to the sewage treatment plant for final treatment. If the zinc levels can be lowered it would be useful as a fertilizer, and there might be significant interest from the local agricultural community. About 90,000 gallons/day is hauled from the septage plant to the sewage plant per day; the sewage plant handles about 800,000 gallons/day.

As the landscape fills up, there has been less and less room for land application of septage. The state has mandated that starting later this year, there can be no land application when the ground is frozen, and within a few years it will be prohibited all together. In the long term this is a benefit for the environment.

Mr. Childs recalled that originally the septage treatment plan was to be on a different site in an industrial park. The other landowners in that development complained, and the plant was moved to different county-owned land. The treatment method was also changed from the original proposal to the current membrane system, which is similar to the system used at the sewage treatment plant. It has been said that this is a “Cadillac” plant rather than a “Buick” plant, which is one reason it has been expensive. This region has generally highly valued environmental protection, and the effluent from our treatment plants is cleaner than the water in the Boardman River.

Kladder noted that the handling of agricultural processing waste water is a growing issue.

Zarafonitis noted that up for discussion is contributing to a Kalkaska septage treatment plant study, and asked why this would be desirable. Mr. Childs stated that if we are willing to pay for them to add to their planned study a cost/benefit analysis for sending their waste to our treatment plant rather than building their own, they may find it less expensive and our plant could benefit from the increased usage.

Scott noted Mr. Childs’ comments that the flows from Bay Harbor will be unpredictable over the next few years. Mr. Childs also commented that the waste from that source has been well cleaned-up before it reaches our plant, and he is concerned about the potential redirection of such wastes to deep injection wells. He suspects that in the long run we will find this to be environmentally detrimental.

Had the plant not had a wall collapse and need repair, Mr. Childs believes that it would still be operating at an overall deficit but would be doing better than it is now. Many people are surprised to learn that the plant has been operating successfully for some time, and this is due to the nearly entirely bad press the project has received. Yet at the outset the same paper

recommended making sure the plant was built and built large enough for flows from beyond the 5 contributing townships.

Kladder stated that at some point the township will need to decide how or if it wants to participate in funding the investigation into whether a reasonable standard of care was employed in planning and building the treatment plant. What would our share be: 6.3% of costs, commensurate with our share of the plant? Mr. Childs stated that soon some cost estimates for an investigation will be available and will help with the decision-making process. He also noted a letter from Brandt, Fisher, Alward and Roy on behalf of the Supervisors of many of the rural townships expressing a number of questions and concerns. He expects to soon organize a meeting of all the townships to discuss these questions and answers. There is a difficulty in that right now the DPW is without legal counsel. Mr. Child took exception to the way his comments at a recent joint county-townships meeting were characterized. He did not say to tell the rural townships nothing; he said to tell them nothing right now because we know nothing right now, but to develop the answers to discuss with them. He also provided his personal contact information and encouraged people to use it freely.

Hardin asked if stimulus money might be available. There may be some grant money available to improve the biosolids to a reusable standard. Hardin reconfirmed that after 2010 there will be no land application of septage. Mr. Childs and Kladder toured the Big Fish private plant in Charlevoix; they treat waste at a cost of about \$0.08/gallon. However they are a smaller plant – too small to serve the County. Frankfort is taking septage waste for \$0.03/gallon because they have extra capacity, but the actual cost to treat is higher so their sewer users are subsidizing this. Manistee is also taking any waste at \$0.03/gallon, and the City of Detroit was charging similarly. They are receiving very small percentages of their total plant capacities. The City of Detroit has recently raised its rates.

The cost to pump and haul a septic tank worth of waste used to be about \$80. It has gone up to about \$150 now, yet the waste haulers no longer have to lease land for application, but do have to pay to deposit the waste at the plant. Some haulers are illicitly taking waste to Frankfort, particularly from the southwest portions of the county. Many grease haulers, particularly from out of the area, have been identified who were hauling waste out of the area, but they have been put on notice that this is illegal and that they must come into compliance. This will not only help the plant, but will also help local haulers remain competitive.

Mr. Childs encouraged everyone to contact him if they have additional questions.

2. **Consider whether or not to contribute from the General Fund to the cost of a septage treatment plant liability investigation:** While it currently appears as if the County will fund 100% of the initial study, the township may be asked to contribute at a future point in time. The Board generally felt that this cannot be considered until the preliminary investigation results come back. Hardin recommends that the scope of the investigation be tightly focused and conveyed before the Board deliberates.
3. **Consider funding portion of Kalkaska Septic Study:** The township has been asked to contribute \$157.50 towards the study.

Motion by Wikle, support by Dunville that the township will pay \$157.50 towards the Kalkaska septic study. Motion carried by unanimous roll call vote.

B. LIMITED PUBLIC COMMENT:

Gordie LaPointe, 6375 Plum Drive spoke to the possibility of a road repair millage. It currently appears to him that the concept has gone beyond Holiday Road and similar “feeder” roads where people fronting on the road would have to bear the entire cost of repairing a road that many more

people from associated side roads depend upon. He noted that there is a seeming unfairness in this situation on such roads as Holiday and Bunker Hill. However, it appears that the idea has grown to encompass all township roads. It appears that a 1 mill levy is being discussed that would raise approximately \$3 million, and that it might extend to repair of purely local roads that previously have been paid for only by the landowners on that road. This cost would be spread across people who never use those roads, including those living on private roads. In Mr. LaPointe's opinion, any millage should be limited to about 0.25 mills and to only repairing key feeder roads. He lives on a private road; there are several in the township and he suspects that most developments within the past 10 years or so have included private roads. His road is about 0.7 miles long. He estimates that his subdivision would pay an additional \$70,000 in taxes over 10 years at 1 mill, about what it would cost to reconstruct their road after that time period, but who would step up to help pay their costs after they helped to pay for everyone else? He empathizes with the landowners on Holiday Road, and would support 0.25 mills for Holiday and Bunker Hill Roads only, leaving the burden to repair other roads to special assessments on the affected property owners.

C. APPROVAL OF AGENDA

Motion by Zarafonitis, support by Scott to approve the agenda as presented. Motion carried unanimously.

D. INQUIRY AS TO CONFLICTS OF INTEREST: None noted.

E. CONSENT CALENDAR:

Motion by Scott, support by Takayama to approve the Consent Calendar as presented, including:

RECEIVE AND FILE:

1. **Treasurer's Report** as of 05/23/09
2. **Clerk's Report** as of 6/30/09
3. Draft Unapproved Meeting Minutes:
 - a. GT County Road Commission **05/20/09**
 - b. Shoreline Advisory **06/10/09**
 - c. Marina Advisory **06/16/09**
 - d. Planning Commission **06/29/09**
4. Metro Emergency Services Newsletter **June 15, 2009**
5. Update on proposed **Bates Road/M-72 Intersection Realignment**
6. Proposed **County ORV ordinance** and public hearing notice

ACTION – Consider approval:

7. Township Board meeting minutes:
 - a. **06/02/09**
 - b. **06/22/09**
8. **Accounts Payable** of \$71,429.85 through 06/30/09

Motion carried by unanimous roll call vote.

F. SPECIAL PRESENTATIONS: None

G. REPORTS:

1. **Sheriff's Deputy** – **Mike Matteucci**: Deputy Matteucci recited the statistics for June, which included 265 calls for service of which 28 were criminal complaints and 72 were non-criminal complaints. There were 12 traffic crashes. The radar trailer is out and operational. It is currently in Springbrook West and has been on Deepwater Point. He is open to suggestions for upcoming placements. Hardin asked where the biggest car crash intersection seems to be; Deputy Matteucci feels that the light at Bunker Hill and US 31 is one of the worst. They target that area for ticketing regularly. There are also quite a few at M-72 and Lautner Road. Hardin wondered if the warning strips could be put in the pavement near those key

intersections. Many people run the light at Bunker Hill Road.

2. **County Commissioner's Report**: written report received and filed; Mr. Inman is unavailable to attend this evening.
3. **Parks and Maintenance** – **Tom Henkel**: received and filed. Kladder noted that the Sayler Park playground dedication ceremony was very nice. The Elk Rapids veterans provided a color guard and Rick Sayler provided a discussion of community history. Chairman Derek Bailey from the Tribe spoke, as the equipment was funded through a Tribal 2% grant. Tom's hard work at the playground has paid off, as the equipment has become a destination, and Dunville did a great job coordinating the event and refreshments.

H. **CORRESPONDENCE:**

1. **06/05/09 Letter** from Acme Township to Steve Smith, Village at Grand Traverse, re: **VGT Phase I SUP/Site Plan Review Process**: received and filed.

I. **PUBLIC HEARINGS:**

1. **MDNRTF Shoreline Phase II application**: Vreeland and Matt McDonough presented the phase II application. The township was awarded approximately \$3 million for phase I as part of a multi-phased project last year. McDonough expects to sign option agreements with the three proposed phase II properties within the next few weeks; the options would be assignable to the township at a later date. We hope to receive \$2.25 million from the Trust Fund with a local match of \$750,000 for Phase II property acquisition.

Shoreline Preservation Advisory co-chair Pat Salathiel, 4882 Five Mile Road, thanked the Board for having the vision to promote the project, providing some of the matching funds and promoting development of additional matching funds. The public shoreline will be a gem of a resource for the whole community.

Advisory co-chair Paul Brink, 9671 Winter Road, echoed Salathiel's comments. This is a great project for today, for our children and grandchildren. This project will benefit the entire region as demonstrated by available statistics. Many people who visit the region arrive along the M-72 corridor, and the first introduction to the community they receive is our shoreline. We are fortunate to have received our Phase I grant of approximately \$3 million, and that we can receive 75% of the total project funds from the Trust Fund. He thanked the Board for their support and the \$150,000 plus funds committed to date. He and his wife will be holding a fundraising event later in the summer. Salathiel noted that without the support of the Grand Traverse Regional Land Conservancy, particularly Matt McDonough and Megan Olds, the project would not have been possible.

McDonough noted that the purpose of the public hearing is to provide supplemental information that will be included with the application submission to the Trust Fund. They will take all comments made into consideration and it will affect the application scoring.

Public Hearing opened at 7:42 p.m.

Joyce McDonald, 5751 US 31 North lives in the condominiums between the Phase I and Phase II properties and supports the project as a great thing for the township.

Gordie LaPointe, 6375 Plum Drive feels this is an excellent project and appreciates the effort expended to put the project together. He noted that property acquisition is one phase of the project, but redevelopment is a different phase. It may be a long process. McDonough stated that the Conservancy is holding long-term option agreements on the properties that will not be turned over to the township until shortly before closing. Once the township owns the properties the structures will be removed or demolished. Funding is available from the Trust Fund and other sources to redevelop the properties with new public amenities. At close to this

time next year the township should have closed on the three Phase I properties and removed the existing structures. The lands will be open space shortly after the township closes on their purchase. We are seeking ways to have structures removed at little or no cost.

Ann Rundhaug, 3733 Bunker Hill Road supports the project as beneficial to the community, but did express concerns about the resulting loss of tax revenue to the community. Vreeland has created a spreadsheet that she updates annually that tracks the amount of tax revenue that might be extinguished by purchase of the target shoreline properties through phase 3. Her calculations from July 2008 show that the decrease of tax revenue directly to the township would be just under \$18,000 per year, and to all taxing authorities would be slightly over \$213,000 per year. Vreeland also stated that based on experience in Traverse City and elsewhere, the township expects that property values and tax revenues will rise township-wide as we provide additional public shoreline amenities.

Jeff and Joanie Stanley, 6632 Deepwater Point Road, feel that the project is “awesome” and would like to see it move faster. He asked for the “true” timeline. McDonough replied that the options on the Phase I properties will expire June 30, 2010 and the options on the Phase II properties will expire June 30, 2011. The real limiting factor is the speed at which the matching funds can be raised from foundations and private donations. Due to the downturn in the stock market, money is tighter than it used to be. Mr. Stanley feels this will be great for Acme and the region.

Public Hearing closed at 7:50 p.m.

Zarafonitis, speaking as a business owner in the community, feels the shoreline acquisition project will be a great project for the community and will encourage the health of existing small businesses and attract new businesses to the community. He asked why the 9th and 10th proposed properties for acquisition are showing on the revised application as having no money allocated to them. McDonough replied that when the original application was constructed last year, not all the properties had yet been appraised and we had to make our best guesses at what their appraised values would be. We estimated a need for a total of slightly over \$8 million for acquisition alone, and are seeking to stick to this figure. Actual appraisals for the phase 2 properties are coming in higher than anticipated last year, and to accommodate them, at least for now we are having to project that two of the potential Phase III properties will not be required. There are no negotiations in progress for these two parcels (the Srdjak property at the extreme south end of the project area, and the Beach Club Motel just north of Bunker Hill Road.)

Motion by Scott, support by Takayama to adopt Resolution #R-2009-16 approving the MDNR Trust Fund grant application for Phase II of the shoreline preservation project. Motion carried by unanimous roll call vote.

J. OLD BUSINESS:

1. **Discuss potential road repair ranking:** Vreeland began discussing the potential road repair ranking she prepared for the Board by addressing some of Mr. LaPointe’s earlier comments. She stated that the assumptions on the spreadsheet about a possible millage amount and duration, bonding, the length and interest rate of any such bonding, and what number or which type of roads might or might not be repaired under were purely hypothetical, and provided only to help demonstrate how far a certain amount of money might go towards fixing township roads. This hypothesis also relies on some generalizations about what types of repair would be needed for each road. She always tries to build such projections a little pessimistically in the hopes that reality will come out better as the details are worked out. The Board might choose to support a millage ballot or not, and if a road repair millage were instituted they might decide to only use it for primary collector roads or to go as far through the list of purely local neighborhood roads as they could with the funding available. The real importance of a road repair ranking is as a planning tool for the community with broad

applications. If the township undertakes a road repair program, it can guide decisions about what order the roads should be addressed. If another agency has funding for road repairs and asks which roads are a priority for us, we will have a ready response that is grounded in real-world conditions as well as community land use priorities. It can serve as a part of our annual 5-year Capital Improvement Plan (CIP), the first version of which should be produced this fall. The CIP in turn will partially determine the township's annual budget.

Vreeland's suggested road ranking grew from the Road Commission PASER road condition database. This information is provided for each segment of each road. She started by combining all segments of each road into one overall road entry, and creating a "weighted" condition ranking based on the condition and length of each component segment. She then sorted the roads first by whether they were urban or rural, assuming that concentrating on more heavily-used roads in the core of the community, to which we also wish to direct new growth, was more important than repairs to outlying areas where land preservation and agriculture are being encouraged. Next she sorted the road by whether they serve as major collector roads that funnel traffic from neighborhood roads to primary and regional roads, as secondary collectors, or as purely local roads. Finally she sorted by road condition from worst to best. All of this yields the suggestion that the first five roads that need to be addressed are Holiday, Bunker Hill, Brackett, Greenwood and Bartlett. Primary roads and gravel roads were sorted to the bottom, the former because they are cared for 100% by the Road Commission, and the latter under an assumption that they would remain unchanged at the current time.

Takayama has been working out by Torch Lake and watched a firm he is unfamiliar with do a very nice job of repaving a road in only two days. It seems as if Road Commission paving work takes much longer and does not always turn out as well. Perhaps their cost estimates are high.

Renee Kaufman, an East Bay Township resident appreciated the effort to pull the proposed road ranking together. In reviewing an updated copy she was pleased to see that Wild Juniper could potentially be included in repair funding. Our model is being used by East Bay Township to construct their potential repair ranking list as well. She appreciates the concept of looking at the roads by functional tiers as well as by condition to determine which roads should be addressed first. Her citizens group is delighted by what has been provided so far and looks forward to seeing East Bay's list soon.

Mr. LaPointe again expressed concern by how the scope of the question has expanded beyond original concerns with Holiday Road to perhaps the entire community. Ms. Kaufman agreed that this is what occurred. Her group held two meetings to educate the Holiday Hills public on the issue and poll them on how they would prefer to see road repairs funded. Several options were presented, including special assessment districts (SADs) with an amendment to state legislation, county millages, township millages and private fundraising. The majority of the people voting supported millages, and this was true across both townships. Further polling indicated that concerns are not with just one road but with a large number of community roads, and at this point her group changed and broadened their focus.

Steve Purdue, Sherwood Drive is on the citizen committee and supported Ms. Kaufman's comments. Their group is seeking to be as inclusive as possible and to find out what people truly think and want. They not only polled people attending their informational meetings, but also surveyed members of the public at a variety of local businesses several Saturdays ago with similar results – 75% of Acme residents and 69% of East Bay residents surveyed favored a millage.

Dunville complimented the citizen committee and the two township governments for their high degree of collaborative effort.

Kladder has recently received information about a potential county-level millage that will be addressed at the August meeting. We need to discuss what would happen if both the county and the townships seek a millage, as it is unlikely that people would want to pay for two millages. Based on preliminary information from the County, it is possible that Acme could be a “donor” township, receiving less county millage funding than it contributes. All of the more urban townships might be in this position, with most of the rural townships potentially receiving much more funding than they contribute.

The Board confirmed that the road repair ranking list, absent the funding-related questions and information, will be updated at least annually in support of township planning.

Motion by Scott, support by Dunville to adopt the proposed Acme Township Road Repair Ranking as being a good representation of road conditions as they stand today, and to accept the ranking methodology used, to be updated annually. Motion carried unanimously.

2. **Proposed resolution – amendment to PA 188 of 1954 (Road SADs): Fix our Roads Committee:** Kladder and Vreeland met with Representative Elsenheimer some time ago about a potential amendment to state law regarding SADs. Bzdok’s office and East Bay Township attorney Peter Wendling’s office worked together on a proposed amendment to PA 188 of 1954. While many townships assess or attempt to assess people for road repairs who do not have property frontage on those roads, technically this is not legal. There are other types of public improvements for which SADs can be constructed based on a land area benefitted, rather than by frontage. The proposed amendment would move road SADs to the area-based category rather than the frontage-based category. Rachel Roe, and Acme resident, member of the Fix our Roads committee and a local attorney echoed Bzdok’s comments. With support from both townships and the local Road Commission, the proposed amendments would be presented to Jason Allen and Wayne Schmidt to perhaps work their way through the legislature.

Wikle asked how people would find out and have a voice in the proposed statutory amendment. They would find out through their representative legislators. As to establishing potential SADs, there is a legislated public process which includes the right of petition and public hearings. If a certain critical mass of objections is not reached, the SAD goes into effect.

Scott believes that fixing the SAD law would be more equitable than perhaps a millage that would end up taxing private road property owners for public road repairs.

Takayama expressed support for the potential road repair ranking, and some confusion about the many different initiatives that are taking place regarding road repairs and funding. He notes that about 80% of the roads high on the ranking list are in Holiday Hills, and perhaps not well-traveled by the rest of the community. He asked himself why those roads are in such bad repair, and supposes it is because those roads are inhabited by young families who come and go frequently as they shuttle their children to and from schools and activities. He would not support a township-wide millage to repair subdivision roads based on ranking when the roads are being beaten-up based on resident lifestyle. A smaller millage for repair of several specific key roads would be more supportable. Most people are seeing their property taxes rise while their property values are going down, and a large broad millage might be unwise at this time.

Hardin holds the opposite point of view. Even private road dwellers use public roads to get where they need to go. A patchwork approach to road repair will achieve a patchwork of road conditions, but a broad approach could broadly benefit the entire community. Neighborhoods go through life cycles of young and old families. He would not want to set a precedent by which the county and state feel that they are off the hook for road repairs because the

township steps up – we should still expect funding from those sources too. He feels that like emergency services, water and sewer, roads are everyone’s problem.

Wikle, in her prior work, dealt frequently with new development. It is a shame to the extent that the effect of development growth on the need to plan for public infrastructure has not been addressed adequately in the past. Today the problem may be in Holiday Hills, but tomorrow it will be Springbrook, Wellington Farms, and Peaceful Valley which were all built at about the same time. If the county votes in a road repair millage, knowing that the subdivisions in other parts of the county are older, those areas will receive the money before we do. We need to both help ourselves and continue to hold the county accountable for a share of the costs as well.

Dunville believes we are all one big community and all need to support and help one another.

Discussion of placing a potential millage vote on the November ballot will occur at the August 11 meeting. Kladder asked the Board to let the office know of its concerns and questions well in advance so we can prepare materials to address them effectively for the meeting.

Scott confirmed that the proposed legislative change would widen the township’s options for forming SADs, but would not create an actual SAD.

Motion by Scott, support by Dunville to adopt Resolution #R-2009-17 in support of the proposed amendments to PA 1988 of 1954 as presented. Motion carried unanimously.

3. **Farmland Preservation Contract** – **Matt McDonough:** This issue was first discussed last month, and the Board asked for additional information. The Board’s concern about a potential doubling of the annual contract amount was conveyed back to the Conservancy, and McDonough and Farmland Preservation Specialist Brian Bourdages have provided some information about actual program costs. McDonough noted that the preserving farmland goes well beyond simply closing purchase of development rights (PDR) deals; but is an integral part of community planning and quality of community life. Any consulting firm would charge well more than the Conservancy does.

Internally, each Conservancy employee is asked to track the amount of time they spend on projects. Bourdages has been faithfully documenting all of his activities through timesheets and his Outlook calendar. Using that information, McDonough broke his work out into 13 specific tasks and indicated the amount of time actually spent on them for the past 6 months. Additionally he evaluated three specific tasks that will be accomplished during the coming 6 months in addition to the normal work. 862 hours of work were performed during the first 6 months of 2009, which were doubled to come up with an annual number of hours. To this was added 88 hours of time expected for the three specific upcoming tasks. The total hours were multiplied by the hourly rate, resulting in an actual value of services of approximately \$95,000/year.

Several activities are starred as integral to closing a PDR deal. The deals closed so far have been less complex than usual; normally they would take even more time and care. Several activities are double-starred, indicating that they relate to applying for and achieving grant funding to offset local millage dollars for the project.

The Conservancy has recently cut several staff positions, asked others to take pay cuts, and cut working hours to save money.

Takayama is a supporter of the Conservancy, but he expressed surprise at the high hourly rate for a non-profit - \$50/hour. McDonough stated that the entire operating budget is divided by the number of staff members to yield an hourly rate, which is standard practice in the non-

profit community. Takayama runs a small business and charges \$45/hour for his staff on-site. He has equipment, a health plan, rent and many expenses, and he is making money at \$45/hour. McDonough stated that the Conservancy owns and operates 32 properties (monitor, clean, maintain, insure), they have 4-5 vehicles, 175 regular volunteers, tools, a barn they lease, offices they lease (all leased facilities needing liability insurance) and there are all the customary employment costs that any business has. They have let 6 people go over the past year – they have tightened their belts. The Conservancy has provided a significant level of service to Acme for the shoreline program without asking for money. They have steeply discounted their farmland program services to date. They represent a number of projects, including Acme projects, to all the foundations and other grant making sources they visit.

Zarafonitis noted that the Conservancy is still asking only about \$12.50 an hour from the township from the new contract, proposed at \$28,000/year. We could not do alone what they do for us, let alone at that price.

Hardin noted that this is one example of something the township has faced on several issues. We pinch every penny to the maximum, as we must do, and often we hold the line on prices and expenses despite annual cost increases. Then, after a number of years we are compelled to institute a substantial increase all at once. If we increased expenditures or charges along with costs a little bit all along, perhaps it would seem less painful than the periodic huge increases. We still must ask the hard questions, but in the end must ask if the cost increases are well justified. It seems like there's never a time that doesn't seem tough economically. The question is whether we are receiving good value for the dollar, and in this instance it seems that clearly we are – and have underpaid for the past few years. Another question is how to manage smaller more frequent bites rather than occasional huge bites.

Wikle concurs with Hardin, but would appreciate a monthly report on how many hours have been expended and how many are expected to be expended over the coming quarter and for the balance of the year so that we can monitor the value we are receiving on an ongoing basis. This can be incorporated into the existing quarterly report in the same format as provided today.

Scott agreed with Wikle, and found today's presentation very understandable. He appreciates being able to see the data and defend the costs to the public. Wikle noted that this will make it easier to discuss next year's contract as well.

Motion by Scott, support by Zarafonitis to approve the annual contract with the GT Regional Land Conservancy for farmland preservation program services at a cost of \$28,000. Motion carried by unanimous roll call vote.

Bourdages expressed his pleasure at working with our community and the progress that is being made. The White family has now indicated interest in preservation of all of their family holdings in the township. As interest in the program and implementation grows, more resources are required. He thanked the township for the opportunity to collaborate on the project.

4. **Phragmites Eradication Program Update:** The township has applied for a grant for Phragmites education and eradication, and is in touch with a student who is willing to assist us with surveying the shoreline and documenting/mapping Phragmites infestations. Based on that survey we would invite East Bay frontage property owners to an informational meeting on July 24 at 4:00, and to participate with the township in a joint voluntary eradication permit and program. Ellen Kohler from The Watershed Center.

One issue of concern is the use of chemicals to treat Phragmites. It does appear that use of a mixture of herbicides in the fall, when the plant is storing nutrients in its underground root network is most effective. The herbicide is carried into the root structure, which is 80% of the

plant, and kills it. The Watershed Center rarely advocates the use of chemicals in water bodies, but the state has indicated extreme interest in the Phragmites issue. Using the chemicals carefully and soon while the infestations are smaller than they would be if we wait 5 years seems prudent. Derek Walton is a Kalamazoo college student who needs research hours to complete his agree and is willing to survey the entire 10-13 miles of shoreline free of charge. We can then advise landowners of our findings and offer them the opportunity to voluntarily give us permission to coordinate a joint application to get a permit. By working together costs can be minimized. Her understanding of the application process is that people would have backpack sprayers and spray stands, and/or would hand-wipe individual stalks. Choosing a well-trained contractor who will work carefully and with discretion is key. Notice of use of the herbicide is provided to landowners. Peninsula Township has adopted an ordinance and will be conducting their survey from now through the end of July. Because they have adopted a compulsory program there will be a public hearing process. Then the Township will apply for their application permit. The permit application is due by August 15. Permits cost \$75 apiece, so by working together we can pay once rather than each landowner paying. Then we can also jointly hire a contractor which will provide cost savings as well. Landowners should not be trying to apply chemicals alone if not licensed. Using RoundUp in the water will be unsafe and ineffective. Applying chemicals at the wrong time of year will be ineffective also.

Kladder has talked to several landowners who are happy the township is taking the initiative, as they are uncomfortable trying to deal with the issue on their own.

Takayama does not believe this is a good use of taxpayer fund. His experience with Phragmites is that an all-or-nothing approach is required. If an educational process takes 2-3 years, the infestation will already be out-of-hand. He appreciates Peninsula's approach that they will take on the issue all at once now. He does not believe the situation is severe in Acme yet, and knows that landowners can't deal with it effectively on their own.

Samantha Tengelitsch, Elk Rapids News, spoke last month in opposition to chemical treatment of Phragmites. She has since done a lot of research on the issue. She discovered that in some areas where the infestations are already extensive, they have resorted to aerial spraying and much more chemical contact with people, animals and the environment. She has learned that a little up-close chemical use now will be better than a lot later on if this gets away from us. She supports a compulsory ordinance and now encourages our proposed efforts.

There was some discussion about identifying and eliminating Phragmites. Hardin stated he has learned that possibly some of the inert chemicals and surfactants that deliver the chemical may be more hazardous than the chemical. Ms. Tengelitsch indicated that the chemicals applied are a cocktail of short and long half-life chemicals.

Kladder has asked County Administrator Dennis Aloia and Parks Director Jason Jones to help fund eradication in Maple Bay Park. The Watershed Center is seeking help to fund work in Petobego Swamp, and MDOT will be contacted about the roadside park.

Ms. Tengelitsch noted that Phragmites likes low water levels as we have seen recently, areas where the lakebed is disturbed, and areas high in nitrates. Controlling these things can be a key to heading off future problems.

Motion by Takayana, support by Zarafonitis to approve the course of action outlined in the memo and to discuss adoption of a compulsory ordinance during Winter 2009. Motion carried by unanimous roll call vote.

There will be a Phragmites identification workshop on July 14 somewhere an infestation exists. It would be a good opportunity for people who would like to volunteer to help with the

survey to get training. One can call the Watershed Center for details.

5. **Discuss whether or not to restrict use of the Oil & Gas Leasing Fund to parks-related expenses:** Vreeland researched the minutes of previous Board conversations and discovered that this has already occurred. The Board supported having these funds remain restricted.
6. **Continued discussion – acquisition of Real Estate One building for township hall:** A better working environment for township staff would enhance efficiency, but these are difficult economic times. The Facilities Committee recommended investigation of the Real Estate One (REO) and Bertha Vos buildings. Kladder recently met with the REO builder and reviewed the construction plans on file with the County Construction Code office. One major question was whether the building would have to be partially or entirely sprinkled, and the builder is saying that the Code office is saying it would not be necessary because the public assemblies held in the building would be incidental to the primary office use of the building. There were also questions about the load-bearing capacity of the floor in the part of the building that would probably be used for public meetings. The builder states that the floor was constructed to hold 150 lbs/sq. ft. If we were uncomfortable that the construction is sufficient a beam could be run down the middle of the floor supports. Some water observed in the basement is likely due to disruption of the original drainage system when the addition was made to the rear of the building, and the builder feels the seller should address this issue. Kladder wanted to update the Board and gather input. He has heard concerns about proceeding with a new facility at all in the current economic environment. Kladder would like further direction from the Board.

Zarafonitis asked for Kladder's opinion about Bertha Vos. He needs to check in with Paul Soma at TCAPS again, but knows that the school system would like it to be occupied again soon. There is word that Hospice may be interested in it. The building apparently appraised at about \$500,000, well less than the \$2 million the school board hoped for. They are legally prevented from giving it away, but would be motivated to make a good deal to another public use. It appears that repairing or renovating that building might be much more expensive than tearing it down and building new, although tearing it down would be expensive as well. There may be issues with the roof, the boiler system, potential bursting of pipes in the hallways and maybe even asbestos.

The current asking price on the REO building is \$795,000, and the owner is willing to lease back a portion of the building for one year at \$40,000. The asking price is less than \$100/sq. ft. Realtor Lee Bussa feels this is a bargain and that the value of the property will be enhanced by the shoreline project and other ongoing township initiatives. It is a nice piece of property with good M-72 frontage.

Scott would like to know what Metro Fire would do with our current shared facility if the township offices were to move. They might use the whole building, or consider tearing it down and building new. This is a very small property and the existing structure encroaches on lot lines; generally Metro is looking for 3-5 acres for new stations. The ability to house firefighters overnight is critical – by having them on-site emergency response time can be reduced from 12 minutes to 5 or 6 – much closer to the national standard and safer for people and property.

If the Board is interested Kladder will continue developing information about acquisition, repair/remodeling and operating costs for both the REO and Bertha Vos properties. Hardin recommended independent verification regarding the assembly provisions for the REO building. His experience would indicate that this would be more than an incidental change in use and might require sprinkling. 24-36 public meetings per year, plus special meetings, plus elections seems more like a planned use than an incidental use.

K. NEW BUSINESS:

1. **Consider adoption of Zoning Ordinance Amendment #3:** This amendment is the first on a list of substantive ordinance changes following up on the content-neutral compliance rewrite of the ordinance undertaken in late 2008. It clarifies that the starting date for an SUP is the date the Board of Trustees moves to approve it. Residential uses not on the first floor will be uses by right/site plan review in most business districts rather than special uses. New minimum and maximum parking space standards that are more appropriate than the existing standards which to date have been found generally to require too much parking and impervious surface, and are based on parking standards compiled and recommended by the American Association of Planning. County Planning recommended adoption of the amendments subject to a few grammatical changes for clarification. Hull also found parking standards for marinas and drive-in restaurants that he is recommending for inclusion.

Kladder asked if any thought had been given to specifying a number of days before which an SUP recipient must be notified of impending expiration, and suggested that it be 30 days prior to expiration.

Scott raised questions about suggested number of parking spaces per slip in a marina. He was concerned that we might be requiring too few, particularly taking traffic to charter boats into consideration. It was noted that the proposed new standards would require a greater number of spaces per slip than previously, and that the number of slips in use by a charter service could vary over time.

Scott also asked why the ordinance would propose both minimum and maximum numbers of parking spaces rather than just minimums or maximums. The old zoning ordinance had a section stating that the Planning Commission could vary the parking space requirements, and this has often been done, mostly in an attempt to decrease the number provided and therefore decrease impervious surface. However, state planning and zoning laws don't give Planning Commissions the authority to grant variances from ordinances – this is the purview of the Zoning Board of Appeals. This issue was corrected during the neutral ordinance re-write as needed for legal compliance. By having minimums and maximums established, the Planning Commission can retain some discretion to deal with individual situations rather than having a single set number of required parking spaces and any deviation requiring a variance hearing.

Hardin feels that the proposed new parking ratios are much more appropriate. This issue was identified for future addressing during the neutral re-write process, which helped compile the list of all the issues that need to be addressed.

Bzdok noted that by stating that a 30-day notice of SUP is required, if the township sends a letter 29-days in advance then someone who has the permit has grounds to argue. The permits all say that they will expire in one year, so the applicant should be aware. Having the number of days as a matter of internal policy and not ordinance would be advisable.

Wikle helped with the content-neutral rewriting of the ordinance and agrees that the issues addressed by this amendment are the ones that were raised. She applauded it as an excellent job.

Takayama asked why the township has not addressed the question of requiring or allowing pervious parking surfaces. Hull stated that it simply hasn't come up yet but is worth looking at. It may be partially dependent on the state of technology. Hardin noted that for several projects the Commission has encouraged that part of the parking area be left unpaved for seasonal/overflow situations. Vreeland observed that the township does not require paving; just a dustless surface. Planning Commissioner Jay Zollinger feels that by permitting fewer parking spaces than before we have taken a step in the right direction towards less impervious surface.

Amendments to the ordinance proposed this evening were:

- Clarification that the issuance date and the date from which expiration of an SUP is calculated is the date the SUP is approved by the Board of Trustees
- Insertion of a provision for extensions of special use permits beyond the initial 1-year period
- Amend the language of the commercial districts where residential uses are permitted off the first floor to make such residential uses by right rather than by special use
- Establish new, generally lower, minimum parking space standards and establish maximum parking space standards
- An edit to the punctuation of sections 6.6.2.k, 6.8.2.m and 6.9.2.l by adding parentheses to make it clear that residential uses in commercial districts may be above the first floor or below the first floor where such units would occupy a walk-out basement (County Planning suggested that the prior construction was unclear and implied that residential uses above the first floor would require a walk-out basement in the structure.

Motion by Zarafonitis, support by Dunville to adopt Zoning Ordinance Amendment #3 as amended through discussion this evening and detailed above. Motion carried by unanimous roll call vote.

2. **Consider appointments to three expired terms of office on the Planning Commission:** Kladder interviewed all applicants and has contacted all but one prior to the meeting. He recommends reappointment of the three existing Commissioners whose terms have expired. He learned a lot from the interviewing process.

Motion by Takayama, support by Zarafonitis to confirm the Supervisor’s appointments of Bob Carstens, Clare David and Patricia Yamaguchi to new 3-year Planning Commission terms of office expiring 07/15/12. Motion carried unanimously.

3. **Consider appointments to the Zoning Board of Appeals:**

Motion by Takayama, support by Zarafonitis to confirm the Supervisor’s appointments of Joe Kuncaitis and Larry Belcher to 3-year ZBA terms of office and Larry LaSusa to a 3-year term of office as a ZBA alternate. Motion carried unanimously.

L. PUBLIC COMMENT & OTHER BUSINESS THAT MAY COME BEFORE THE BOARD:

Ms. Kaufman listened to some of the comments about Phragmites, such as “attack it now” and “the sooner the better.” The same is true of the roads – no miracle cure awaits us. In 2006 her sister-in-law was involved with Friends of East Bay when they first started looking at the Holiday Road issue. In the intervening 3 years the projected cost to repair the road rose by about a third. This is an example of how waiting can be harmful. She also heard concerns about setting precedent for townships to fund road repairs rather than federal and state sources, and about most of the need and involvement being from Holiday Hills. Vreeland has told her that about 30% of the township population lives in the Holiday Hills area, and another 30% is served by Bunker Hill Road. The top 3 roads on the priority ranking are Holiday Road, Bunker Hill Road and Brackett Road, which together would fairly equally cover all of the thirds of the township. There is an active and supportive citizen group – a condition that may never exist quite so strongly again. They can be one of many tools in the township tool chest for addressing these issues.

Mr. LaPointe agrees with Ms. Kaufman that something has to be done. What he disagrees with is casting aside the time-honored tools of SADs that exists. 0.25 mills earmarked for Holiday and Bunker Hill Roads might be acceptable, if we then leave the rest of the roads to be reconstructed through SADs on the affected property owners. This is a responsibility they accepted when they purchased the properties they did. They may have the support of the people who attended their meetings for a broad township millage, but he suspects that nobody from his neighborhood or LochenHeath were at those meetings or voted. The options are not “do nothing” or “pass a millage,” SADs are still an option too.

Glen Cavanaugh, 10387 Kay Ray Road, agrees with Takayama that it would be unfair for people who live on private roads and already pay to maintain their roads in excellent condition to pay to repair roads that others live on. If everyone lived on a public road and had the same conditions it would be different.

Meeting adjourned at 10:16 p.m.