



ACME TOWNSHIP REGULAR BOARD MEETING
ACME TOWNSHIP HALL
6042 Acme Road, Williamsburg MI 49690
Tuesday, June 1, 2010 7:00 P.M.

MEETING CALLED TO ORDER AT 7:00 P.M.

Members present: D. Dunville, R. Hardin, W. Kladder, P. Scott, E. Takayama, L. Wikle, F. Zarafonitis
Members excused: None
Staff present: S. Vreeland, Township Manager and Recording Secretary
J. Jocks, Legal Counsel

- A. STUDY SESSION:** None
- B. LIMITED PUBLIC COMMENT:** None
- C. APPROVAL OF AGENDA:** Motion by Wikle, support by Dunville to approve the agenda as presented.

Scott noted that the agenda states that there may be a special meeting regarding the budget on June 22, but whether or not this is the case has yet to be determined. He is hoping for some discussion about the budget this evening that follows up on some of what was discussed at the May 11 meeting. Kladder noted that updated/final budget proposal information has yet to be distributed.

Motion carried unanimously.

- D. INQUIRY AS TO CONFLICTS OF INTEREST:** None noted.
- E. CONSENT CALENDAR:** Motion by Wikle, support by Dunville to approve the Consent Calendar as presented, including:

RECEIVE AND FILE:

1. [Treasurer's Report](#) as of 04-30-10
2. [Clerk's Report](#) as of 05-26-10
3. Draft Unapproved Meeting Minutes:
 - a. [05-24-10](#) Planning Commission
 - b. [04-28-10](#) GT County Road Commission
 - c. [04-27-10 and 05-13-10](#) Metro Emergency Services
 - d. [05-19-10](#) Shoreline Advisory Notes
4. [Parks and Maintenance](#) – Tom Henkel
5. [Zoning Administrator's Report](#) – Marvin Radke, Jr.
6. [Metro Emergency Services Newsletter May 15, 2010](#)
7. [Status Update – VGT-Phase I SUP Application #2009-01P](#)

ACTION – Consider approval:

8. [Township Board meeting minutes of 05-11-10](#)
9. [Accounts Payable](#) of \$97,609.43 through 05-26-10 (recommend approval: Dunville)

Motion carried by unanimous roll call vote.

- F. SPECIAL PRESENTATIONS/DISCUSSIONS:** None

G. REPORTS:

1. **Sheriff's Deputy – Mike Matteucci:** Not available for May yet.
2. **County Commissioner's Report – Larry Inman:** The Board of Public Works has adopted a resolution recommending to the County Commission suggesting that the County split the bond payments for the septage treatment plant with the five guaranteeing townships. Acting DPW Director K. Ross Childs is finalizing a new business plan for the plant and continues to solicit new flows from surrounding counties. In a few years the bonds can be refinanced; if they could be refinanced today there could be a savings of approximately \$250,000. The historic files about the septage treatment plan obtained from former BPW counsel Michael Houlihan are being reviewed. Many of the guaranteeing townships have adopted similar bond cost sharing resolutions, although Elmwood Township is awaiting a look at the business plan first. The County will be meeting with the Traverse Area District Library soon. TADL has asked for the County's help to mediate disputes arising from new administrative charges being assessed by the library to the satellite library locations. The County estimates a \$750,000 shortfall in their \$39 million budget due to lower revenues, and will be discussing this at a June 16 Ways & Means Committee meeting. The Resource Recovery Council voted at a recent meeting to recommend county-wide curbside recycling. The current solid waste agreement expires at the end of the year. Their recommendation will be discussed at a June 9 County Physical Resources Committee meeting, along with lingering questions regarding the fate of the county landfill tipping surcharge and the centralized recycling dropoff sites. Inman is concerned that the current program not end until a plan for the future is in place.

H. CORRESPONDENCE:

1. **05/25/10 Annual Deepwater Point Natural Area [Conservation Easement Monitoring Report](#):** This report is prepared by the GT Regional Land Conservancy (GTRLC). This year's report does not mention a compost pile being created by adjacent landowners that should be addressed.

I. NEW BUSINESS:

1. **Submission of [Tribal 2% grant application\(s\)](#):** Vreeland summarized the memo from the packets.

Motion by Zarafonitis, support by Dunville that the township to submit an application to the Grand Traverse Band 2% Grant application cycle ending June 30, 2010 to support non-land acquisition activities related to Phase I of the Shoreline Preservation Program. Motion carried unanimously.

2. **MDNR Trust Fund Shoreline Phase 2 [project agreement](#):** This is the standard grant agreement and resolution required of all MDNR Trust Fund grant recipients. The agreement requires the township to acquire the Phase 2 properties (Sun n' Sand motel, Mountain Jack's restaurant, and Sarris property) by May 1, 2011; in the future we may ask for an extension to the option

Motion by Dunville, support by Scott to adopt Resolution R-2010-13 approving signature of the MDNR Trust Fund Project Agreement for Project TF-09-171.

Kladder noted that the fundraising need will be higher than the match amount specified in the grant agreement to account for demolition and other costs incidental to the acquisition but not reimbursable by the Trust Fund. Wikle wanted to ensure that property taxes will be appropriately pro-rated to acquisition date; Vreeland noted that this occurs automatically at closing. Demolition costs will include asbestos, mold and lead paint studies as well as actual demolition costs.

Motion carried by unanimous roll call vote.

3. **Hiring part-time seasonal parks worker:** Vreeland and Henkel receive approximately 10 applications for the part-time seasonal parks worker position for Bayside Park. Four candidates were selected to be interviewed, and references were contacted regarding three of them. After also performing a basic background check through the State Police, Vreeland and Henkel are recommending that Juan Hernandez of 8500 US 31 North be hired.

Motion by Zarafonitis, support by Dunville to hire Juan Hernandez as Seasonal Part Time Parks worker for Bayside Park at a wage of \$7.50/hour.

Scott noted that applicants must be prepared to demonstrate a legal right to work in the United States, and that Mr. Hernandez's application indicates that he received his basic education in Mexico. He asked if there is any need or right for the township to give preference to or only hire American citizens. Vreeland read the anti-discrimination statement from the township Employee Handbook, which states that the township will not discriminate based on a number of legally-protected conditions including national origin and/or legal alien status.

Motion carried unanimously.

4. **Resolution to issue Capital Improvement Bonds 2010** – Shoreline Project: At the April meeting the Board authorized publication of notice of intent to issue capital improvement bonds to provide funds for the township to take to closing on the remaining two Shoreline Phase I properties before the end of June. The bond is proposed to be in an amount just slightly larger than the 75% of the total acquisition cost that the grant from the Michigan Natural Resources Trust Fund would cover. The Trust Fund does not send funds to closing; they require that grant recipients file for reimbursement after the fact. This resolution would actually commit the township to selling the bonds on June 10.

Motion by Takayama, support by Zarafonitis to adopt Resolution R-2010-14 to issue the Shoreline Project Phase I Capital Improvement Bonds. Motion carried by unanimous roll call vote.

5. **Deep Exploration Well Bid for YCNA:** The township has existing non-developmental oil & gas exploration leases on the Yuba Creek Natural area, Sayler Park and Yuba Cemetery. This is for exploration in fairly shallow formation. Recently in the area there has been interest in deeper well exploration. The township has been approached by Dorance Amos, representing Progressive Resources LLC, to add a deep exploration lease to our existing shallow mineral lease on the YCNA. The option offered is a 5-year lease with an up-front payment of \$250/acre for approximately 400 acres, with automatic renewal for an additional 5 years with a payment of \$500/acres. If this specific lease were to be approved Jocks would want to enhance the non-development clause language and add a clause whereby the township would not warrant title to the mineral rights. Kladder is aware that some properties in the region have been leased for up to \$6,000/acre. He has asked the County if they have been approached for deep leasing and has consulted with township citizen Roy Challender, who has experience in this arena.

Vreeland was told by Mr. Amos that a production well can't be converted to a deep injection well. Hardin stated that while this may be true, often where there is a developmental lease there is an automatic right to have an injection well. It is believed at this time that nothing but gas at high pressure comes up from the deep exploration wells, but experience may prove otherwise.

Kladder believes that the township should see if there are any better offers to be had, and has informed Mr. Amos that we would be soliciting other offers.

Motion by Zarafontis, support by Takayama to table the proposed deep mineral lease pending further research. Motion carried unanimously.

6. **05/10/10 Land Bank Authority Letter – Tax Foreclosed Properties Available:** Kladder provided this letter. The one tax foreclosed property in the township is in LochenHeath. The township has the ability to purchase the property for the amount of the outstanding taxes prior to the property being offered for public auction. If acquired, the property can only be used in perpetuity for a public purpose.

Motion by Dunville, support by Takayama to decline the opportunity to purchase the 2010 tax foreclosed property in Acme Township. Motion carried unanimously.

7. **Assumption of options to purchase the Willow Beach and Knollwood Motels from GT Regional Land Conservancy:** As was the case with the Shoreside Inn, the Grand Traverse Regional Land Conservancy acquired options to purchase the Willow Beach and Knollwood Motels as part of Phase I of our Shoreline Preservation Project. The options are due to expire or be extended on June 30, 2010, and it is the township's intention to complete purchase of the properties prior to that date. First, the township needs to accept assignment of the options from the Conservancy.

Motion by Dunville, support by Zarafonitis to accept assignment of the options to purchase the Willow Beach and Knollwood Motels properties from the Grand Traverse Regional Land Conservancy and that the Supervisor, Clerk, Treasurer, Manager and legal counsel be authorize to take any actions and sign all documents required to close on the purchase of the properties on or before June 30, 2010.

Kladder stated that the deadline for completing fundraising for the township's 25% match to the Trust Fund grant for the shoreline project has been extended to June 25 to allow time for pending foundation grant requests to be decided.

Motion carried by unanimous roll call vote.

The Supervisor indicated that there would be a brief recess, but before recessing invited a member of the audience who wished to address the Board to speak rather than waiting until the end of the agenda. Michael Stepka, County Commissioner for Garfield Township is running for 86th District Court Judge. He was raised in Traverse City and has been a lawyer here for 20 years. He has appeared in District Court nearly every week during his practice. He has been endorsed by the GT County Sheriff's Association and the Michigan Police Officers Association, and serves on the County Public Safety Committee. There are specialty sobriety, mental health and violence courts within the structure of the 86th District, with which he has been involved.

The Chair declared a brief recess from 8:15 to 8:22 p.m.

8. **Assistance with shoreline property owner relocation reimbursement determination:** There is a federal law that addresses how people whose lands are partially or entirely taken for public purposes through eminent domain are to be compensated. While it appears that this law may not be strictly applicable in situations such as our Shoreline Preservation Project, where the township is purchasing property at fair market value from willing sellers, it appears to be State agency policy that eligible relocation expenses be paid in every situation. Determining the proper reimbursement amount is tricky. The Conservancy has recommended a specialist who can work with the township to determine the appropriate relocation reimbursements for the Willow Beach and Knollwood owners; the Shoreside Inn owner waived payment of his relocation costs.

Motion by Zarafonitis, support by Hardin to contract with Land Matters to determine

appropriate shoreline landowner relocation expenses. Motion carried by unanimous roll call vote.

J. PUBLIC HEARINGS:

1. **Proposed General Appropriations Act (2010-11 Budget)** There was an unusually short period of time between the May and June board meetings, and some of the questions that arose with finalizing the budget became more complex than anticipated. After discussion, Kladder and Vreeland proposed moving the budget discussion to an additional special meeting. Scott expressed concern because at the last meeting there was discussion about not offering additional per diem payment to Trustees and there being little need for special meetings. When a special meeting is scheduled it can interfere with work schedules and cause extra day care or other expenses, so this should be considered in discussions about special meeting per diem payments if the township wants to encourage continued full involvement from its Board members.

Takayama suggested that if anyone has costs related to a special meeting they could ask the Supervisor for a stipend to cover those costs. Some might have additional costs and some might not, and it may not make sense to pay everyone in such a situation. He also suggested that no additional items be added to the budget meeting agenda.

Public Hearing opened and recessed at 8:45 p.m., there being no public comment.

Motion by Zarafonitis, support by Takayama to continue the budget public hearing to Tuesday, June 22 at 7:00 p.m. Motion carried unanimously.

K. OLD BUSINESS:

1. **Shoreline Park Deconstruction Update:** Asbestos was found at the Shoreside Inn property in 16 locations, and overall the deconstruction process is becoming overwhelming to Kladder. He has also learned that a township government cannot obtain a deconstruction permit directly; it must be obtained on their behalf through a general contractor. The township will need to issue an RFP for a general contractor, and Kladder will be seeking assistance from Jocks and a variety of other sources such as the schools and the Conservancy who have been through this process before. He hopes to bring an RFP to the Board for approval to distribute it at the July 6 meeting.

Dunville asked if siding can be removed from the structures prior to proceeding; this cannot be done until a contractor is hired and the demolition permit obtained.

Kladder is hearing that some entities may wish to donate demolition properties on the Shoreside Inn property only, but do not want to extend this offer to the other two properties. This will affect whether we issue one RFP for all phase I properties together or issue multiple RFPs.

An additional question to be addressed is the fate of the home on the Knollwood property. Some people would like to preserve it on site, and the township left this option open with the Trust Fund. Some would like to preserve it on a different site, but moving it would be difficult and costly. Some would like to tear it down, and at least one private individual would like to move it for private use. The decision does not have to be made tonight, but it will have to be made in upcoming months.

Takayama noted that a house at the corner of M-72 and Lautner was purchased for \$1 with the purchaser paying all the moving costs. It is now a bed & breakfast on Broomhead Road. One good option could be having someone remove and repurpose the building at no cost to the township.

The Shoreline Advisory has indicated willingness to study these issues and make recommendations to the Board if desired.

2. **Solid Waste:** Several months ago Bob Oosterhout from Resource Recovery addressed the Township Board of Trustees

township regarding solid waste issues. The County and City have worked together on a \$40,000 study of best ways to handle solid waste. It appears that the best deal for homeowners can be obtained when one or more municipalities contract for solid waste services for everyone and perform the billing for them. The City is considering doing just this. Garfield Township has recently instituted a “preferred hauler” system. Rather than dictating mandatory use of a particular waste handler, they have negotiated a special deal for any township resident who voluntarily chooses to use a certain hauler. Blair Township recently has been studying whether to go to a preferred hauler or mandatory single hauler system, going out for bids. They have placed a question on their August ballot to be voted as to whether to go to a single hauler system billed by the township annually in a tax bill. This provided the lowest cost bid per household. They have not decided which services to offer, potentially including some mix of garbage pickup, curbside recycling, yard waste disposal and bulky item pickup.

There was a meeting last Thursday to see what various townships seem to be thinking. The “rural” townships have been largely silent on these issues. Acme Township could potentially join with the City and potentially Peninsula townships in bidding out a single hauler program. Garfield may wish to move from the preferred hauler to single hauler system and join in as well. The City wants to bid out a program by July 1, which leaves very little time for us to become informed enough to make a good decision.

Along with lowering costs, it might be possible to enhance services and reduce the number and frequency of trucks traveling the roads and breaking them down.

One question raised would be for people who have already bargained for lower prices and have had to make a minimum term of contract commitment. Would they be required to pay for that commitment and the new mandatory hauler for a certain period of time?

Kladder needs direction from the Board to take back to the regional discussions. When surveyed a few months ago the Board members generally favored a mandatory single hauler program.

Currently the program being discussed is designed to apply to residential land uses from single-family to 4-unit only. Some favored putting the question on an upcoming ballot so the public can vote. Research indicates that trash collection charges can be added to a tax bill, and it may be one of the line items for which the County will make the township whole if there are delinquencies as of March 1 annually.

Single hauler service was seen as generally attractive, but not at the expense of competition. Competition drives prices down, and a lack of competition could lead to a lack of service provides and a need for government to perform the service in the long run. But, while competition and personal choice are seen as important to many, it can also lead to wastefulness through additional costs, road wear, noise and air pollution.

Wikle stated that such a charge would have to be added to the winter tax bills. At \$15/month that would be an additional \$180 year on the winter bill on a task bill that might only be about \$500 now – a fairly large increase to plan for if your taxes are not escrowed. It’s a cost they would pay anyway, but right now it’s more spread out. There are some indications that the costs could be as low as \$8/month on a single hauler plan. There were also questions about whether seasonal residents would be compelled to pay for year-rounds service even though they aren’t here. Adding the cost to the tax bill would also incur our 1% administrative fee. Some suggested that the cost could be split between both tax bills.

Kladder will indicate that we are generally interested in a single-hauler system, but that we have enough questions that we will not be prepared to commit by July 1 when the City plans

to send out bids for its single-hauler system. We will also look into placing the question on an upcoming ballot. The earliest opportunity would be November, and if there is to be a Constitutional Convention there may be an election in April this year.

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

Kladder reported that all of the township's sewer lines have been cleaned and televised. One 8' line appears to have collapsed. Rocks, sand, logs and all sorts of materials were found in the system. He will talk to the DPW about how to plan for upcoming needs through the township Capital Improvements Plan being developed. This has brought him back to feeling an increasing need to identify a new township Engineer of Record, a concept he will bring back to the Board to discuss in coming months.

Hardin was asked this weekend for a status update on the Yuba Park Road boat launch. Some of the fisherfolk who launch boats there have concerns about rough condition of the road-end and launch ramp. The township has developed a preliminary design for an updated boat launch within the southern end of Sayler Park, but is not moving forward with full design or construction until a plan is developed for endowing the costs of dredging. Estimates for annual dredging were provided by Gourdie Fraser during preliminary design; however, the township is obtaining second opinions about how often it might be required and how much it might cost each time. We are hopeful of forming a partnership with the Water Studies Institute at NMC whereby their students could use our shoreline for class projects and we could obtain the data they develop or otherwise benefit from their research.

MEETING ADJOURNED AT 9:26 p.m.