



ACME TOWNSHIP REGULAR BOARD MEETING
ACME TOWNSHIP HALL
6042 Acme Road, Williamsburg MI 49690
Tuesday, June 7, 2011 7:00 p.m.

CALL TO ORDER WITH PLEDGE OF ALLEGIANCE AT 7:07 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
K. Redman, Township Counsel

- A. STUDY SESSION:** None
- B. LIMITED PUBLIC COMMENT:** None
- C. APPROVAL OF AGENDA:** Motion by Wikle, support by Zarafonitis to approve the agenda as amended to add continued discussion regarding placemaking under Old Business. Motion carried unanimously.
- D. INQUIRY AS TO CONFLICTS OF INTEREST:** None noted.
- E. CONSENT CALENDAR:**
Motion by Zarafonitis, support by Takayama to approve the Consent Calendar as presented, including:

RECEIVE AND FILE:

1. [Treasurer's Report](#) as of 04/30/11
2. [Clerk's Report](#) as of 05/27/11
3. Draft Unapproved Meeting Minutes:
 - a. Planning Commission [05/23/11](#)
 - b. Metro Emergency Services [04/26/11](#)
 - c. Farmland Advisory [05/06/11](#)
 - d. Shoreline Advisory [05/18/11](#)
4. [Parks and Maintenance Report](#) – Tom Henkel:
5. [Planning, Zoning & Administrative Update](#) – S. Vreeland
6. "The Metro Insider" [Newsletter](#) May 2011
7. [Status Update – VGT-Phase I SUP Application #2009-01P](#)

ACTION – Consider approval:

8. Township Board meeting minutes of [05/10/11](#)
9. [Accounts Payable](#) of \$330,840.70 as of 05/27/11 (recommend approval: Dunville)

Motion carried by unanimous roll call vote.

F. REPORTS:

1. [Sheriff's Report](#) – **Mike Matteucci:** In May there were 44 citations, 2 personal injury accidents, 16 property damage accidents, and 256 total calls for service. Kladder thanked Deputy Matteucci for placing the radar trailer near the Bayview Inn. The flashing circuit will be added to the trailer, but a local electronics repair shop declined to take the work as they would charge significantly more than our bid to send it out for upgrades. He is waiting until the end of the summer traffic season, as the trailer will likely be out of service for 6 weeks once the upgrade is performed.

2. **County Commissioner's Report – Larry Inman:** A County solid waste committee has been working to propose the amendment to the County Solid Waste plan that will be presented tonight to allow a new recycling facility to move forward. The amendment requires universal approval from all the townships, the Board of Public Works and the County Commission. The Reapportionment Board met as customary following the Census to review the area population by township and voting precinct. They decide how many County Commissioners there will be and what their districts will be. Most of the plans involved retaining 9 seats; however, although this county was one of very few that gained population over the last decade the Reapportionment Board chose to reduce the number of seats to 7 effective with the 2012 election cycle. Inman's new district includes Acme and Whitewater Townships and East Bay voting precincts 1 and 4 in place of Union and Fife Lake Townships. The reduction in Commissioners may reduce costs to a small degree but will increase the workload on each Commission. Inman believes that the cost for elections will also increase between \$1,000 - \$3,000 as well. Inman has announced his intention to run for another term. 2012 budget discussions begin next week with an expectation of an initial \$1 million shortfall. This is largely due to Michigan Tax Tribunal and local Board of Review decisions regarding property valuation. Property values are still declining while population increases, and hard decisions that may involve service reductions are ahead. Next week the County Board will review applications made to them for Tribal 2% grants by various community interests. This review includes a community need ranking recommendation which is not binding on the Tribal Council. There is ongoing discussion about funding the Septage Treatment Plant. The BPW may be planning to use recent plant-related lawsuit settlement money to make up any needed funds for upcoming bond payments. The County has indicated willingness to share costs for future bond payments not covered by operating revenues 50/50 with the townships, and will look to call the bond and refinance it in 2013 such that loans to the plant can be repaid and the new amortization schedule can be covered by normal plant revenues.

Bob Tremp, Arrowhead Estates asked how the bonds are backed; they are supported by the full faith and credit of the County. Ultimately the County would seek funding from the five townships that originally guaranteed the plant as well. Inman stated that the County's credit rating is AA, one of the highest in the state. The County often bonds on behalf of a township for an infrastructure improvement on the basis of the township's full faith and credit.

G. SPECIAL PRESENTATIONS/DISCUSSIONS:

1. **David Krause Appreciation for service to Acme Township:** Dunville presented a statuette to indicate appreciation to David Krause for his years of service to the Planning Commission.
2. **Marina Feasibility Study – The Edgewater Group:** Greg Weykamp and Ron Schults of The Edgewater Group presented their completed Marina Feasibility Study. A **PowerPoint Presentation** was made. An **updated economic analysis** was provided, along with **an addendum**. A physical analysis of the Acme Township shoreline was made, as was a determination that the East Bay Harbor is the best location for a marina facility in this area. Their market analysis indicates a high level of demand for boating slips in this area as well. They began by studying the township's Master Plan and the regional Grand Vision. They noticed how both documents stressed the creation of vital downtown areas and placemaking.

The feasibility of a marina has been considered in phases. Phase I includes a 4-lane boat launch, 22 boat slips and a breakwall adjacent to the existing East Bay Harbor as it is configured today. 25 vehicles with trailers could be parked west of US 31, but a total of 100 spaces would be required in the vicinity for a 4-lane launch. Phase I has been identified as the type of project the DNRE is interested in funding – water access in the form of a boat launch. It would be desirable for there to be a cooperative agreement for running the public and private facilities.

Phase II includes Phase I, and replaces the existing East Bay Harbor with a modern facility. The parking west of US 31 would remain unchanged. The existing Mt. Jack's building would be removed and a new smaller harbor house would be constructed. There would be an accessible fishing pier and a place where small non-motorized craft could launch. Everything except additional parking would be self-contained on that site. It is likely a traffic signal would be desirable at Mt. Hope Road. Edgewater recommends building Phases I and II concurrently to achieve cost savings.

Phase III would relocate US 31 in the marina area to the east to a greater or lesser degree. The Phase IIIA alternative would result in a modest relocation of the road 60-80' west, adding 52 more boat slips to the 92 in phases 1 and 2, and would have the breakwall/fishing pier farther west into the bay. Mr. Weykamp does not prefer this alternative, which has all of the needed parking west of US 31 but otherwise would seem to violate our placemaking and shoreline accessibility and aesthetic goals. Phase IIIB would relocate US 31 North to the east more significantly. MDOT has indicated no conceptual concern, but also that they have no funding to assist. Under this scenario, the breakwall would remain where it is today but increases the size of the marina basin at a total 175 slips by enlarging it to the east. All the parking is still on the west side of the relocated US 31, but configured in such a way that a walkable area adjacent to the waterfront is created, and existing businesses are respected and perhaps joined by a few other businesses.

There is a \$4.5 million dollar estimated cost for Phase I, including a 20% contingency for unknowns. Potential MDNR Funding support is estimated at \$2.2 million in phases with an identical local match. Anticipated gross revenues are \$72,000 - \$86,000/year based on average slip rental rates, and operational expense estimates are \$36,115, including insurance, utilities, maintenance, a dredging fund (the current marina dredges 625 cu. yds/yr at \$30/yd, and the cost could be shared between the public and private facilities), wages and administrative costs. Yearly net revenue is estimated at \$36,000 - \$50,000. A 30-year bond at 4% was assumed for estimating debt service coverage. Land acquisition costs are not included in the estimates. It was also recognized that some elements such as the breakwall will last longer before replacement than things like docks and slips.

Phase II benefits from the expenditures made in phase I, with costs mainly for adding new docks. The estimated additional construction cost is about \$5 million, with the additional revenue generation of \$214,000 - \$325,900. Operation expenses rise to about \$53,000 and are no longer shared, and yearly net revenue is between \$180,000 - \$290,000. Slip revenues in this phase would offset entire cost of non-revenue generating infrastructure (breakwall) and perhaps repay some of the expenses of Phase I.

Edgewater recommends consideration of moving ahead with Phase I and Phase II development in the near term. Market demand is estimated at three times the capacity to be provided, and the site seems physically and environmentally suitable. A new marina facility could be a key point in a stretch of placemaking and pedestrian and calm traffic connections between local businesses and services along the shoreline.

If the community moved to Phase IIIB, Edgewater estimates that all operational and revenue-producing infrastructure construction costs would be covered by slip rental and launch fees. Local matching costs of \$8 - 11 million would be incurred.

Before deciding to move ahead, Edgewater recommends making a waiting/interest list to see if the market study is verified by actual demand, to see if the slips could be filled before construction. Costs could be reduced by creating larger slips with higher rental rates.

At the presentation to the Planning Commission, some members of the public asked "why not just have an open park with no marina?" Edgewater has created a new scenario to address this

concept. If the existing marina is removed, the space it leaves would have to be filled in to prevent a landslide into the lake. \$4.7 - \$5 million is the estimated costs for current improvement demolition and filling in the former marina area. The facility is unlikely to generate revenue in the park area, while an associated boat launch might generate \$18,500/year. Operational costs are estimated at \$37,000. They also estimated the loss of \$761,000 in direct economic impact from current marina users and 8 jobs. If the site were made purely an open space with no boat launch and some parking, the cost estimate is \$2.35 million for a fishing pier, deconstruction, demolition and ecosystem re-establishment. Yearly maintenance costs are estimated at \$18,000, with a loss of tax revenue to the township alone of \$1,300 and the same loss in direct economic impact and jobs.

A member of the public asked why not move the marina basin farther out into the bay rather than relocating the road? This is essentially the Phase IIIA model, and the MDNRE might support it. However, there would be a large area of parking between the road/public and the marina, and off-site parking would still be needed in addition. The question was raised as to creation of “can moorings” floating in open water rather than new boat slips. Mr. Weykamp stated that this is largely a wave/climate and convenience issue. In a slip there is protection from the waves and amenities such as electricity. The whole mooring field might have to be dredged rather than just a channel, and a tender would be needed to get people between the shore and the boats.

Another gentleman asked how many parking spaces are needed for Phases I and II? 25 boat and trailer spaces are provided on-site for both phases, with another 75 needed off-site somewhere, possibly shared with an existing facility. There would also be a need for 87 car-only spaces. The MDNRE standard is 1 parking space per seasonally-rented slip and 1 for every 2 transient slips.

Mr. Tremp asked if the study is available to the public electronically; it is on the township’s website and can be burned to a CD. Mr. Tremp also asked if a peer review of this study is planned by the township; this concept has not been discussed. Marina Feasibility Chair Jean Aukerman noted that the MDNRE Waterways is funding 50% of the study and they are reviewing the work performed closely for suitability.

Dar Fenner, 5255 Arrowhead Circle, asked to review the Phase I financial projections. He noted that the economy is not as strong as it could be currently. Mr. Fenner has worked on projects larger than this one, and he looks at them largely in terms of return on investment. Thinking about the costs of acquiring the shoreline property, and thinking about a loan to purchase the property, at 4.75% homeowner mortgage rate interest costs could be as much as \$48,000/year. If the operational revenue is only \$36,115, he would be losing money and this seems foolish. The township could seek grant funding to help with expenses, but this is not always successful. Northport thought it could obtain grants for annual dredging costs but this is not currently the case. As to bonds, interest rates are very low right now. As they rise, and as bond yields go down, the investors and the community may incur losses.

Mr. Weykamp noted that land acquisition costs are not being financed. If construction costs are \$4.5 million and the DNR might support half, financing the remaining \$2.25 million is much more supportable in terms of anticipated operating revenues and operating expenses. These figures have been developed after consultation with the MDNRE and by studying actual cost and revenue figures from marinas in this area from this year. Littoral drift and dredging needs are different in different locations; we don’t have the same geographic challenges in this regard that Leland and Northport do. Actual dredging costs for the existing harbor over the years (about \$18,750/year) were used to help estimate operational expenses.

Mr. Tremp asked where the anticipated local match would come from. It could come from anywhere, but in some way, shape or form from the community. Mr. Weykamp reiterated that

he is presenting that Phase I is not financially self-supporting. Mr. Tremp asked what would be used to make payments if the community bonded for \$2.25 million. If operating revenues could not support the debt service, might it come from tax dollars?

Gordie LaPointe, 6375 Plum Drive, believes the figures presented are within a reasonable ballpark for a preliminary study. However, he is thinking back to the Septage Treatment Plant. At the time the project began and estimates were created, a lot of work and brainpower were employed, yet things have gone wrong. The costs for a marina facility are on the same order as for the treatment plant. Many of the people in the current administration might not still be here throughout the life of such a project, so who would maintain continuity. Who would manage this? Would a new person have to be hired specifically for this? Knowing the size and resources of this township, who can spend the time and effort required to manage this through to a successful completion? Kladder agreed someone or some group would have to take on such a task. Mr. Schults stated that most communities with municipal marinas set up an unpaid advisory harbor board with 5-7 members representing a cross-section of the community and supported by a small staff. Project/construction management is often handled by hired consultants as delegated by township representatives and has been considered as part of the total project cost. Mr. LaPointe again urged the township to consider the Septage Treatment Plant facility situation carefully and to learn from the challenges that arose.

Martha Pash, 5073 Arrowhead Court, asked why a small township would be interested in a project like this at “enormous” expense, when property values have decreased significantly over the past few years and when the revenue generated appears to be minimal. If it’s such a good idea, why doesn’t the state build and operate such a facility? Mr. Schults said that of the 82 public harbors, the MDNRE operates 8. Kladder noted that the township has been pursuing a long-term vision of reclaiming waterfront properties for public enjoyment. He also mentioned that sometimes governments have access to funding that private entities do not. Mr. Weykamp stressed again that his firm’s recommendation is that Phase I alone is not viable, but that together Phases I and II are self-sustaining. He reiterated statements regarding the economic impact of the existing marina to the community. Running such a facility like a business, and isolating the revenues and expenses related to that business, were deemed very important by the local municipal marina operators who participated in our round-table discussion two months ago. Mrs. Pash said she is a former government employee, and that she doubts any government including ours has the ability or desire to operate something on a business-like basis.

Kladder thanked everyone who has worked over the past several years to bring us to the point of accepting this marina feasibility study. He noted that the township has applied to the MDNR Trust Fund for a shoreline Phase III grant to potentially acquire the existing marina. In response to a recent question, Trust Fund staff sent an e-mail stating that marina acquisition funding according to the sale terms currently being offered by East Bay Harbor Corporation is unacceptable, particularly as to an attempt by current slip lessees to retain any rights to continued use after such a sale.

Hardin asked how many empty slips are in the harbor currently. Of the 72 total slips, the harbor corporation represents that most are full.

Zarafonitis and Dunville liked the idea of soliciting a list of people who would be interested in slips to see if the market demand can be verified. A boater survey can also be implemented to see what interested boaters would be working for in a facility. Knowing what size slips are desired and other items would help to shape facility design if such a project were to move forward. The project could be structure to clearly indicate that no rights are being granted to people who indicate interest.

Hardin asked why the current harbor is in its current condition if the market demand seems so

strong? Mr. Schults noted that the structure of the group is not such that a single entity is directing what happens; it happens through a democratic process. It's hard to create a special assessment and raise funds and agree on a course of action, particularly because the people involved don't really own anything. They have a right to lease a space from year to year only. Mr. Schults indicated that the facility is literally crumbling into the water in some places and that he believes it to be actively unsafe.

Takayama asked if the consultants have seen the books for the existing facility and if it is profitable? Mr. Schults replied that the facility is not run for a profit; it is run much as a condo association, for subsistence and to break even to serve the people who are using the facility. Why would the charge themselves more to make a profit to return to themselves?

Takayama also asked if it is possible to apply for construction grants before owning the property? Aukerman has researched this and found it is not. She stated that the township has built an excellent relationship with the MDNRE Waterways staff, which is working closely with us to ensure an appropriate process and that the work product is good.

Kladder noted that the township is working in partnership with the GT Regional Land Conservancy on the shoreline project. They have been assisting the township in negotiating with shoreline landowners for possible township acquisition of their properties. We know that the MDNR Trust Fund is unwilling to fund acquisition of the marina under the last set of conditions expressed by the harbor owners. Perhaps it would be helpful for the township to affirm its cooperative relationship with the Conservancy and set a deadline by which the township will make a decision one way or the other about continuing to pursue potential marina acquisition. Matt McDonough from the Conservancy noted that some confusion about funding for acquisition and for construction is due to the fact that the township is working with the MDNRE Trust Fund regarding acquisition grants, but with the Waterways Commission – a completely separate area of the MDNRE – regarding potential construction grants.

Paul expressed concerns about “whose numbers we are paying for.” We hired Edgewater to conduct the feasibility study for us. He is concerned that they may have understood our request to be for justification for a marina rather than for a balanced report that might or might not justify the marina. Without any implications regarding the validity of the study, he would feel better if another firm or entity looked at the numbers, with an orientation towards really putting the numbers to the test and perhaps even actively looking for fault in them. Wikle stated that she was part of the consultant selection committee, and that the committee did not ask for the consultant to justify a marina. She and Kladder both stated that the message communicated was clearly that the township wanted to know whether or not a marina is economically feasible, one way or the other. An “it's not possible” answer would be just as acceptable as an “it is possible” answer.

Hardin asked if a boater interest list could be compiled reasonably by August. Mr. Weykamp stated that it depends on how well it is publicized and executed. He said that all of the materials will be pulled all together into a single document within two weeks, and that information from tonight will be available on the township website within a few days.

Mr. McDonough stated that the Trust Fund is already reviewing the applications submitted in April such as our Phase III application. They don't appreciate a lot of mid-stream changes to applications; however, they also don't like approving grants that are never used. The negotiations with the harbor corporation may or may not be able to move forward given their most recent position and the information from the Trust Fund staff. We can ask them if they are willing to sit down and talk further with the township and Conservancy and try to come to a mutually agreeable purchase agreement. Secondly, the township needs to decide soon whether it truly wants to acquire the current marina property, and how it would want to use

that property in the future. Thirdly, this is the last phase of a three-phase grant project. It may be one of the last opportunities for a while for the township to obtain acquisition funding from this source. McDonough has recently spoken with several other shoreline property owners who might be willing to sell their properties to the township, and it might be possible to substitute those properties for the marina property. Finally, if the Conservancy can have a better sense of the township's timeline for property acquisitions, they can better assist us in applying for grant funding to help with the required 25% local match.

Takayama stated some time ago when McDonough was presenting the challenges of the marina and Mt. Jack's property situations, he expressed that perhaps it would be wiser to pursue other options that are easier to deal with. He has thought for some time that the marina is taking an unreasonable position and placing the township in a difficult and uncomfortable situation that we don't have to be in. Why not turn our attention away from the difficult marina property situation and towards other landowners more willing to work with us smoothly?

McDonough reported that there have been several meetings recently involving the owners of the marina and Mt. Jack's properties to negotiate the extinguishment of some easements that are hindering acquisition of the Mt. Jack's property this year. The talks are going very well.

Aukerman asked that the township, public, and Conservancy use the next 6 weeks to think and work, and come back to the August board meeting to decide what to do. She sees the negotiation with the marina as the beginning of good things, not a difficult end. Many good suggestions have been made tonight, and we can be looking at the marina within the context of other community initiatives. She would like to present a range of options at the August meeting, and if a decision can be made then, great. If not, not.

Motion by Scott, support by Dunville to have the township staff and shoreline project partners present further recommendations for the marina property at the August Board meeting, including peer review of the marina feasibility study and examination of various options.

Aukerman suggesting asking the municipal marina operators who were part of our panel discussion to perform the peer review for us. They have nothing to gain or lose from the outcome, and might help us at no cost.

Motion carried unanimously.

3. **Amendment to [Grand Traverse County Solid Waste Plan](#):** Bob Oosterhout from GT County Resource Recovery presented the amendment, which will enable a new recycling facility to locate on Hughes Drive in Garfield Township. The entire operation will be indoors and will handle three separate waste streams. 70% of the equipment has been installed in the facility already. The City and Fife Lake Township have already adopted the resolution and amendment. Mr. Oosterhout summarized the components of the amendments.

Motion by Hardin, support by Zarafonitis to adopt Resolution R-2011-06 adopting Amendment 2011-1 to the Grand Traverse County Solid Waste Plan. Motion carried by unanimous roll call vote.

4. **[Fire Prevention Ordinance](#):** Metro Emergency Services Chief Pat Parker was present. This new ordinance has been in the works for at least 9 months. This ordinance is similar to the one originally adopted in 2003 and amended in 2006 when the International Fire Code 2006 was adopted by the state. Now the state has adopted the 2009 International Fire Code, so this ordinance is proposed to likewise adopt this code. As written the ordinance would also automatically adopt subsequent updates to the International Fire Code.

In the past the fire prevention ordinance has been ultimately enforced by the County Prosecutor. The current holder of the position has been unwilling to prosecute related cases and enforce such township ordinances, so this ordinance proposes to name Metro Emergency Services as the enforcement entity instead. It also proposes to ban non-recreational and non-agricultural-related open burning. Such burning is already banned in MESA partner townships Garfield and East Bay due to their population size and state law, but such burning would now also be banned in Acme Township. Right now the only way to enforce such open burning regulations is to have a DNR officer involved, but MESA would also become the enforcement agency under this ordinance in these cases. There would be a clear understanding that only MESA chiefs could issue tickets, and only after consultation with and authorization by one or more designated township officials. Prior to writing tickets MESA officials would work through a process of verbal consultation with landowners, then written warnings, and finally in a few cases a civil infractions ticket.

Hardin noted that the ordinance addresses offensive odors, and asked if that would extend beyond burning yard waste to objectionable side-effects from outdoor wood or corn-burning furnaces. Chief Parker noted that establishing what is an objectionable odor will be a delicate matter. He noted that outdoor burning of household garbage would still be permissible in an appropriate container, but not burning of construction waste. Campfires are permissible. Residential and agricultural land uses are largely exempted from the need to obtain permits from Metro Fire for things like new construction or remodeling.

Another provision of the new ordinance is that MESA would establish a new appeals board rather than using the County Construction Code Appeals Board as is currently done.

The MESA Board will be discussion the ordinance draft again during a study session next week. Kladder noted that township attorney Jocks would prefer that the ordinance not contain the provision that new versions of the International Fire Code be automatically adopted. Chief Parker noted that while this would require frequent visits for new fire prevention ordinance adoptions, with each new code change there may be differences in exemptions we would like to make locally.

Kladder stated that he expects to bring the proposed fire prevention ordinance back to the board for potential adoption in July. He also thanked MESA for allowing the 9/11 World Trade Center artifact to be on display here at the township hall for the past few weeks. It was part of the north tower, and may be a floor beam. From now to September it will travel to various locations in the area and in the Cherry Festival parades. On September 11 there will be a community dedication, possibly as part of the schooner festival that will be occurring at the Open Space at that time. They hope to have the artifact on permanent display at the MESA administrative offices at the corner of Three Mile and Parsons Road, but they need to raise funds to do so. Hardin noted that the Safronoff Family from Peaceful Valley Road lost a son in the north tower.

H. CORRESPONDENCE: None

I. NEW BUSINESS:

1. **Potential request for [expansion of East Bay Township Water Distribution Franchise](#):** Bill Clous, the owner of the Gold Coast Inn, has expressed interest in converting the existing motel to an assisted living facility. One of the things he apparently wants or needs in order to do so is a connection to a public water supply. The East Bay Township water system has connections nearby, and a franchise agreement is in place between our two townships that allows certain nearby properties in Acme Township, primarily on Evelyn and Park Streets, to be served by East Bay water. There may be interest between all three parties in extending the franchise agreement to additional properties such as the Gold Coast Inn property, possibly

including the Woodland Creek development. There may be others along US 31 who are interested as well, as the township is aware of some well failures in the area that are probably due to older, shallow wells and low water levels. East Bay Township's Supervisor has asked for a formal letter of interest in discussions from our board to theirs. We may wish to explore other options for water service that could result in Acme ownership of lines and service in the township pursuant to a bulk water purchase agreement East Bay's system as well.

Motion by Scott, support by Dunville to open discussions with East Bay Township regarding expanding water service in Acme Township. Motion carried unanimously.

2. **Update on Wastewater Treatment Plant Capacity Lease:** Kladder noted that the County DPW is trying to organize a joint meeting between the DPW and all the member townships regarding a variety of issues, including potential changes to the schedule of residential equivalencies for non-metered commercial sanitary service. Their concept was to have a public hearing at that time and potentially adopt changes then. Peninsula Township has decided to have only their Supervisor attend and report back to the full board. Where full boards are present they could potentially convene a meeting to discuss and deliberate. The meeting would be held at the Civic Center, and may be on Wednesday, June 22.

The townships with sanitary sewer service not only own capacity in the city's treatment plant, and lease additional capacity as well to ensure adequate treatment capacity for their systems. A portion of the leased capacity expired in 2009 and a portion is still in effect, but the townships have continued to make payments to the city based on the full capacity lease amount while renegotiations of the agreements have been pending. Those discussions are leading to the concept of forming a new authority that would assume ownership and operation of the sanitary and water infrastructure assets of all the townships and the city, streamlining and simplifying operations. A goal is in place to conclude the discussions and perhaps create the new authority within the next 9-12 months.

One concept discussed has been whether there should be a requirement that all townships ensure their infrastructure is in excellent shape before it is turned over to an authority, so that everyone doesn't have to pay to fix one township's former systems. One attorney is working with all parties involved. Kladder will keep the Board informed.

3. **Discuss seeking bids for a [township Engineer of Record](#):** In the past the township has attempted to hire a new engineer of record to assist with technical engineering questions, reviews and advice. A firm was hired but the relationship was quickly terminated when things didn't work out. For instance, the help would be appreciated related to several proposed development projects, turnover of the LochenHeath water and sewer systems, and working through the potential issues related to the formation of a new authority. Kladder would like to reconvene the earlier selection committee to conduct a new RFP process to hire an engineer to specifically review water and sewer-related issues

Scott raised a concern about the potential expenses to the sewer fund, given that rates have been raised in the recent past just to stabilize the fund balance.

Motion by Zarafonitis, support by Dunville for the engineer of record search committee to be reconvened and make a recommendation to the Board. Motion carried unanimously.

4. **Yuba Historical Society Request to sponsor [2% Tribal Grant Application](#):** Donna Sayler from the Yuba Historical Society was present to support the request. They were awarded \$15,000 in January 2011 which has enabled the society to prepare to abate lead paint and asbestos issues. Within a month the abatement should be complete. The historical society would like to make a new request to the June 30 2% Tribal grant cycle to continue restoration

work on the historic Yuba School. Their goal is to preserve the history and past of the township for citizens today and tomorrow. The Yuba Historic Society is asking the township to sponsor a \$25,000 request towards upcoming costs which are substantially higher.

Takayama asked a question about the past grants from the Tribe to the township indicated on the formal grant application paperwork, and Vreeland recited the purposes/uses for the past awards made. He also suggested that the project budget projections need to be refined and that they may be too high. If he were on the grant review committee he might feel that the proposed expenses are unrealistic and need to be reduced.

Kladder asked what the grant would be used for if received; Mrs. Sayler reported that the most immediate needs are for temporary power, permanent electrical rewiring and plumbing and heating repairs. Currently there is no electric service to the property, and the current wiring is over 50 years old and potentially dangerous. She stated that the figures on the budget came from Wolgast Construction Company in Saginaw. She realizes that the figures may be high-end, and if the township agrees to sponsor the application she would appreciate further assistance with reviewing the scope of work and estimated costs. Takayama further asked why a kitchenette addition should be needed; Mrs. Sayler stated that this is a long-term goal and they felt they should put everything possible into their request. Takayama suggested that applications from projects that appear to be modest and struggling might be more favorably received than those that appear to be grandiose.

There was discussion about whether the township needed to make any requests for itself in this grant cycle. Vreeland stated that the township had applied for and received a grant from the December 2010 2% cycle in the amount of projected lost tax revenues for the entire year for the lands near Turtle Creek in Acme Township that have been placed in trust status. She and Kladder therefore recommend waiting to submit another township government-specific request until the December 2011 grant cycle.

Kladder believes that the first needs are for basically stabilizing the site – providing safe reliable electric and heat service. The way the grant proposal is currently written it is difficult for him to tell precisely what the requested money would be used for. Roy Challenger, also on the Yuba Historical Society Board, and experienced in construction, stated that the electrical rough-in needs are immediate and that he believes the bids received to be competitive. Mrs. Sayler added that when they actually contract the work out they seek to bring it in well under original estimates. They want to do as much electrical and plumbing work as they can while the walls have been opened up.

Scott indicated general willingness to sponsor the application as long as it does not appear that it is jeopardizing the township government's opportunity to attract grant funds from the Tribal 2% program.

Motion by Scott, support by Zarafonitis to sponsor the Yuba Historical Society's Tribal 2% grant request. Motion carried unanimously.

5. **Grand Traverse County – [Septage Treatment Facility Loan Agreement](#):** Discussion deferred because no representative from the DPW was present to assist with the discussion and because a legal opinion letter addressing a concern raised by citizen Tony Ansonge about the legality of the proposed agreement has not yet been provided. The discussion was tabled pending receipt of the opinion.
6. **[Complete Streets Resolution](#)** (recommendation: Planning Commission): Planning Commissioner Virginia Tegel presented the proposed resolution. It is largely a gesture of good faith for the future, and can assist with obtaining grants based on the experiences of other communities. She noted that 35% of the population does not drive a car for one reason

or another. Zarafonitis just returned from a trip to Europe, and noted that they have truly complete streets including bicycle and pedestrian lanes.

Motion by Zarafonitis, support by Takayama to adopt Resolution R-2011-07 supporting Complete Streets as presented. Motion carried unanimously.

J. PUBLIC HEARINGS: None

K. OLD BUSINESS:

1. **Preliminary 2011-12 Budget Discussion:** Updated General Fund budget information has been developed, and there appears to be a projected surplus in the current fiscal year budget of approximately \$100,000, with a projected deficit in the 2011-12 preliminary budget draft that needs to be addressed. The Supervisor is recommending that requested expenditure of \$13,000 for a new mower/tractor for the Buildings & Grounds Manager be made from this year's expected surplus, along with a contribution of \$35,000 to the costs of Phase II shoreline property acquisition as a match to a Rotary Charities grant requested on our behalf by the Conservancy, and along with paying off the remaining balance due on the new BS&A assessing and taxation software. Wikle asked that we consider purchasing a small portable PA system for special presentations if available funds would allow. Takayama expressed concerns about the purchase of a new mower/tractor and whether it would be prudent to try to outsource some parks maintenance functions such as mowing.

Motion by Wikle, support by Dunville to authorize immediate purchase of a new mower tractor, expenditure of \$35,000 towards Phase II shoreline property acquisition, and payoff of the remaining balance due for the BS&A assessing and taxation software upgrade. Motion carried by a vote of 5 in favor (Dunville, Hardin, Kladder, Wikle, Zarafonitis) and 2 opposed (Scott, Takayama).

- a. **Discuss potential road sealcoating and/or gravelling:** to be discussed on June 20.
 - b. **Set budget public hearing special meeting date:** Set for 6:00 on Monday, June 20.
2. **Placemaking:** Takayama referred to the Placemaking presentation at last month's board meeting. He has been attending the monthly economic development meetings at the NW MI Council of Governments. He has noted that various entities have been receiving funding for shovel-ready projects in their communities, and is saddened that the township has not yet taken advantage of the opportunity. In the marina feasibility study presentation he was interested that what they depicted was largely what he has been promoting about placemaking. Takayama is seeking authorization from the Board to speak at the economic development meetings, where all of the participants are very interested in Acme Township. He feels we have an opportunity to become leaders in the state and to attract significant funding to test through implementation some of the placemaking and new economy theories that are being promoted. If we act quickly, we could be the place where it happens. If we delay we could lose out. Are we interested in taking advantage of the help that seems to be standing at the ready? Dunville said yes. Kladder agreed as long as such efforts are coordinated with the other efforts moving forward in the township at the same time, and as long as whatever results is community-inclusive. The Board generally seemed interested in learning more about what the people Takayama is talking to are offering and how it can benefit us is achieving our goals as a community. They felt comfortable with Takayama proceeding on that basis.

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

Inman reported that County Prosecuting attorney Bob Cooney has issued an opinion that compensation for sitting elected officials cannot be reduced during their term of office and recommended that we check into it further. He also noted that bargaining units would be exempted from the proposed 20% employee cost-sharing in healthcare premiums, and that elected officials

would not be impacted either until a new election cycle. All others would be impacted.

Vreeland noted that she is aware through MTA that the only way an elected official's compensation can be reduced during their term of office is if their duties are reduced, but not below statutory minimums, and if they consent in writing.

Meeting adjourned at 10:47 p.m.