



ACME TOWNSHIP SPECIAL BOARD MEETING
ACME TOWNSHIP HALL
6042 Acme Road, Williamsburg MI 49690
Tuesday, March 19, 2013, 9:00 am.

MEETING CALLED TO ORDER WITH THE PLEDGE OF ALLEGIANCE AT 9:07 a.m.

Members present: C. Collett, A. Jenema, G. LaPointe, D. White, J. Zollinger

Members excused: C. Bassett, P. Scott

Staff present: N. Edwardson, Office Assistant
T. Henkel, Buildings & Grounds Manager
N. Lennox, Zoning Administrator
S. Vreeland, Township Manager/Recording Secretary
S. Zollinger, Deputy Clerk

A. LIMITED PUBLIC COMMENT:

Lewis Griffith, Lautner Road, asked why the township is choosing to purchase a beach groomer rather than seeking bids for the work or sharing a machine with another municipality. The machine is likely to be high-maintenance.

Zollinger commented that this was a special meeting and state rules do not permit the discussion of any materials not posted as an agenda item.

B. CONFLICT OF INTEREST: None noted.

Motion by Trustee LaPointe, support by Trustee White to approve the agenda as presented. Motion carried unanimously.

C. New Business

1. Letter from Clerk Bassett: the Supervisor read aloud the letter from Clerk Bassett, resigning as of March 19, 2013 due to personal and family reasons.

Motion by Trustee LaPointe, support by Trustee White to accept Clerk Bassett's resignation effective March 19, 2013. Motion carried unanimously.

The board needs to appoint a Clerk. Whoever is appointed would serve until the general election in November 2014, when someone would be elected to complete the current term of office. The cost of special elections was discussed.

Jocks reported that while a deputy assumes the powers and responsibilities of their superior in their absence, except for voting as a Board member, in most situations, such as sickness or a recall, there is some debate as to whether the deputy assumes these power and duties in the case of a resignation. Michigan Townships Association opines that they do not. There is no case law. Jocks disagrees with the MTA, and believes the deputy could automatically assume the responsibilities except for voting. An appointed Clerk would assume all responsibilities including voting. To Jocks the law does not appear to provide for a temporary appointment to the role. If the township has not appointed someone within 45 days from the resignation, by statute the County Clerk calls a special election on the next regular election date for which there is sufficient time to submit names for the ballot.

Zollinger recused himself from the conversation because his spouse is the Deputy Clerk under discussion.

Motion by Trustee LaPointe, support by Trustee Jenema to nominate White to chair

this portion of the meeting. Motion carried unanimously.

The Deputy Clerk is seen as very capable of doing the job of Clerk, but there was general concern about having spouses serving concurrently as township officers.

Mr. Griffith stated that Deputy Clerk Zollinger has served as Deputy Clerk for approximately 10 years, having significant experience.

The Deputy Clerk expressed willingness to serve as Clerk if asked.

Motion by Trustee LaPointe, support Trustee Jenema by that the Board advertise the position of Clerk and interview candidates within the allotted 45 day period. In the interim, the Deputy Clerk will be asked to ask as Clerk in all matters except for voting as a Board member. The position will then be filled until the required election in 2014.

Jenema asked whether the Deputy would assume the salary of the Clerk, or whether they would be allotted additional hours as Deputy.

Motion carried unanimously, with the exception of Supervisor Zollinger (abstaining).

Motion by Treasurer Collett, support by Trustee LaPointe that while the Deputy Clerk will receive the full Clerk's Salary during the period she is fulfilling the Clerk's responsibilities. Motion carried by a vote of 4 in favor (Collett, Jenema, LaPointe, White), 0 opposed, 1 abstaining (Zollinger).

Collett volunteered to lead the search process. Zollinger plans to not participate in the process due to the potential conflict of interest. Interviews will be held in a public meeting environment. A special board meeting will likely be required to meet the 45 day deadline.

2. **Consider approval to purchase beach groomer:** LaPointe is disappointed that it may not be possible to groom the beach at Sayler Park this year because it might not be possible to obtain necessary permits. Henkel has indicated that he would need approval to apply for such a permit. LaPointe would like to move forward as quickly as possible to obtain such a permit. Because the concept of applying for the permit was not included on this special meeting agenda, Jocks suggested that this matter be considered at the next regular Board meeting.

Henkel indicated that prior boards made a conscious decision to allow the Sayler Park beach to become more naturalized after a contract with a beach grooming service many years ago ended. A growing desire to groom that beach was only reintroduced into discussion at the Parks & Recreation Advisory this winter. While we can apply immediately, it will take an unknowable length of time for the DEQ to process the application.

At Bayside Park the township has a permit to groom a 20' wide swath starting at the water's edge, 150' long and 4" deep.

Collett asked Mr. Griffith to expand on his concerns about equipment maintenance. Mr. Griffith indicated that metal and sand result in grit, which can affect the hydraulic system. Henkel described the function of the equipment.

Motion by Trustee Jenema, support by Trustee White to adopt Resolution R-2013-12. Motion carried by unanimous roll call vote.

3. **Bill payment approval list: Motion by Treasurer Collett, support by Trustee Jenema to approve the accounts payable as presented. Motion carried by unanimous roll call vote.**
4. **Bank investments of funds and Rules changes - Treasurer Collett:** Collett has reviewed

the township's current investment policy. She has been speaking to banks that might be able to provide a higher yield than our current accounts. The programs are based in government bonds, some of which are Fannie Mae and Freddy Mac. Starting this past January 1, FDIC rules changes are such that our account balances are ensured up to \$250,000 per bank. She would like to move some funds. Collett plans to bring a recommendation for action to the April board meeting.

D. Old Business:

- 1. Discuss status of Immanuel LLC Bankruptcy- J. Jocks:** The bankruptcy trustee has been seeking to reverse a number of property transfers from Immanuel LLC to related entities. The trustee and the debtor have proposed a settlement on this issue which will be submitted to the court for approval. Debtors have the right to comment on the proposed settlement. Because this relates to a legal settlement the Board has the right to go into closed session if it desires, but the nature of the conversation is such that Jocks does not believe this is necessary. The information he will share is publicly available, and he does not propose any strategy discussion that might disadvantage the township if made public.

The proposal would put the properties up for sale, with a sale deadline in 2015. The trustee expects the proceeds to total about \$2.6 million, which would be sufficient to pay all claims in full, including Acme Township's two claims for property taxes (approximately \$13,000) and the amount due for special use permit process fees. Jocks recommends that the township not object to the settlement, since the trustee is projecting that we will be made whole. Also, legal fees have been minimal at this point to monitor the situation, and objecting would cost money. The township's claims would not be impaired or reduced. He has heard that one other claimant might object to our fee claim, but the court would decide the question.

- 2. Final discussion on work flow, day to day operations, and job responsibilities; organizational design and structure recommendation, and potential action:** Work flow for various functions and department has been discussed at two prior special meetings. Discussion began with the Treasurer describing the function of her office. Real and personal property taxes are collected. \$9.4 million has been collected during the last 8 months. Funds are disbursed to other taxing authorities every 2 weeks. She lauded the way the payments have been handled by the Office Assistant and the Deputy Treasurer in the receipting process previously described. Approximately \$1 million of the tax dollars remain in the township, plus a 1% administration fee to offset the costs of tax assessing and collection, and are managed by the Treasurer.

The county makes the township whole for delinquent real property taxes annually, but not for personal property taxes. Approximately \$152,000 in personal property taxes are delinquent. They constitute liens on the businesses which can be satisfied in an extreme case by tagging and selling the business assets. The portion of this amount that the township might retain would be about \$12,000. Delinquent personal property taxes can only be written off after a period of several years and by court action.

The Treasurer's Department at times may collect some delinquent sewer service fees after they are added to property tax bills. They also receive revenues collected by the DPW quarterly for township sewer service fees and paid to the township.

Township bond debt is also managed by the Treasurer. Discussion about the audit of the shoreline and farmland funds is expected to be on the April regular meeting agenda. The Treasurer is also working with the Zoning Administrator on a new way of tracking funds that are escrowed for zoning processes. The Treasurer maintains spreadsheets for each different township account that are used in the process of balancing to the records in the Clerk's FundBalance system. There was additional discussion about the types of items and services charged to the applicants' escrow accounts. The Supervisor intends to bring up review and possible modification of the township's fee ordinance at an upcoming Board meeting.

Having learned how the township has functioned to date, and in light of new skills the new administration brings to bear, Zollinger has some recommendations for streamlining function. He recommends that a Township Manager function is not necessary at this time. White concurred that much of the function is redundant with the Supervisor's function. LaPointe recommended that such a change, if made, be done prior to the start of the new fiscal year. Jenema asked if such a change should be made prior to a new Clerk being in place. Collett could understand why the current structure is what it is, but also sees how a change can be made with the new skill sets in place on the board. So she believes the timing is right to eliminate the position. LaPointe has often wondered why the township had a manager along with a full-time Supervisor. He believes the staff structure is "top heavy" for a township of this size. The salary for the position is one of the largest budget items. Zollinger looks at the officer positions as the day-to-day staff positions. He would suggest that if the Manager position is eliminated, day-to-day supervision of the other staff would move to the Supervisor. He offered that the Manager function has been performed well by the position holder for approximately 8 years, and that the decision is not about the individual but the needs of the township.

Zollinger read a proposed resolution he had prepared pursuant to his recommendation to be effective immediately. LaPointe suggested that because this is a proposed reorganization and not a performance-based issue, there are options for when it might take effect. He would be comfortable making it effective the end of the budget year, if the process were to be smooth and cooperative. Jenema concurred, especially in the absence of a current full-time clerk and since the budget includes the position. Zollinger and Collett both feel it would be easier overall to have it happen immediately rather than to drag the process out, and to be more fiscally responsible.

A simple majority of those present today is necessary to take action on this matter.

Motion by Treasurer Collett, support by Trustee White to adopt Resolution R-2013-13 as presented. Motion carried by a vote of 3 in favor (Collett, White, Zollinger) and 2 opposed (Jenema, LaPointe).

Zollinger asked Vreeland if she would prefer to go into closed session to discuss a severance package, and she indicated she would be comfortable remaining in open session. A proposed Separation Agreement and Release was distributed. Zollinger suggested that the Manager's salary and healthcare benefits be continued for 3 months. Collett suggested extending the severance compensation to June 30, 2013, the end of the fiscal year. There was discussion about the healthcare coverage, which can't be extended past the termination date except through COBRA. The suggestion would be to amend the sentence in the proposed agreement to specify that the Manager would be reimbursed for the cost to participate in the healthcare plan through June 30, 2013.

There was discussion about whether the township is self-insured for unemployment. Most townships are. If the Manager claims unemployment in such a situation, the former employer would pay the full amount. The date to be inserted in paragraph 5 would be today's date, March 19, 2013. Passwords and other system logins are to be provided to the Treasurer.

Motion by Treasurer Collett, support by Trustee LaPointe to accept the Separation Agreement and Release as amended. Motion carried by unanimous roll call vote.

Zollinger stressed that this is not a performance issue, but a reorganization to run the township more efficiently.

E. PUBLIC COMMENT:

March 28 at 6:00 will be a Parks & Recreation Committee meeting. LaPointe recommended

attendance to understand fully a number of key issues coming up. Zollinger cautioned board members against discussion at the meeting if they attend.

Jocks mentioned that when Board members attend meetings of bodies to which they make appointments, care should be exercised when and if addressing that body so as not to create a perception of bias. A court case held that a municipal leader addressing a Planning Commission in support of a project created an appearance of bias because the Commissioners could have been concerned for their positions had they opposed the project.

Meeting adjourned at 11:31 a.m. on a motion by Trustee LaPointe with support by Trustee White.