

Minutes of the Clay Township Regular Board Meeting Held Monday November 21, 2011 in the Clay Township Meeting Hall, 4710 Pointe Tremble Road, Clay Township, Michigan

Supervisor Krueger opened the meeting at 7:30 p.m. with the Pledge of Allegiance

ROLL CALL

PRESENT: Supervisor Thomas Krueger, Clerk Lisa White, Treasurer Connie Turner, Trustee Tom Fetter, Trustee John Horvath, Trustee Joanne Shirkey, Trustee Karen Straffon

ABSENT: None

Citizens: Fourteen

BILLS PAYABLE

Motion by Turner, supported by Fetter, to pay the bills in the amount of \$110,132.10

Shirkey: Questioned miscellaneous charges on bill from IronWorks. Questioned fire department invoice from Kroger for education and training.

Fire Chief DuPage: Provided lunch for the dive class we put on.

White: Iron Works items were for winterizing the park's splash pad.

Straffon: What is the \$4,000 for hose testing?

DuPage: That is annual hose testing of over 17,000 ft of hose. It is mandated by OSHA

ROLL CALL VOTE

AYES: Shirkey, Horvath, White, Turner, Fetter, Krueger

NAYES: None

ABSENT: None

MOTION CARRIED

CONSENT AGENDA

Motion by Shirkey, supported by Straffon, to approve the Consent Agenda consisting of minutes, reports, notices, and communications and with the addition of item 6, Goodfellows Request.

AYES: All

NAYES: None

MOTION CARRIED

UNFINISHED BUSINESS

1. Fire Dept Request for Enclosed Trailers

Krueger: We discussed this at our last meeting and wanted further information on some of these trailers.

DuPage: I took the bid sheet and faxed it to seven more vendors. I received three back. My original quote was for \$16,584.00. It is the board's pleasure as to what they want to do.

Krueger: Are all the specs the same on all of them?

DuPage: Yes, they are pretty comparable. Different prices and different states

Horvath: The reason you want these trailers is because you want to get them out of the fire department correct?

DuPage: I want them stored outside and locked up.

Horvath: I can build you a pole barn for the price of those trailers.

DuPage: It's not just storage. I want to be able to pull them to a call. I have one unit that doesn't have a way to get to a call.

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Horvath: At the last meeting I asked you to get me the specs so I could work on it with you and I didn't get that and I have also requested an inventory for my own personal satisfaction and I haven't received that either. I need to understand because it looks like you are trying to make room for more stuff.

DuPage: I am trying to address the fact that we have equipment that cannot be utilized because we don't have the means to transport it.

Straffon: Isn't the purpose of these trailers so you can put the equipment in there and have it secured and ready to go? So you can hook up and go at a moment's notice. It's easier to have them ready to go than stored in a pole barn.

Shirkey: On this quote from SLM Trailers in Whitmore Lake their price is \$7,885 each, which is a total of \$15,770. The quote from Kelly in Carleton is cheaper.

DuPage: There were no shipping costs from Kelly. SLM costs \$250.00 for freight

Shirkey: You could pick them up. Carleton is downriver. Instead of \$7800 a piece it is \$7700 a piece.

Horvath: Is there a reason to go with the other company if it's the same trailer for less money.

DuPage: It may save \$100 but I have to pay two people and take two vehicles to pick them up which kinds of eats up the \$100.00 savings

White: Do we know a delivery time? Also SLM has a warranty right on the invoice.

Motion by Fetter, supported by Turner, that we purchase two trailers from SLM Trailers for \$15770 which includes delivery

AYES: All

NAYES: None

MOTION CARRIED

PUBLIC COMMENTS RELATING TO ANY NEW BUSINESS

None

NEW BUSINESS

1. County Commissioner Bill Gratopp

Krueger: Commissioner Gratopp is here to bring us up to date on the things happening around the county.

Gratopp: We have been busy up at the county and I wanted to share some of these things with you. We have some projects coming and we want to be as transparent as possible. The first one I will talk about is the Thomas Edison Inn Convention. This came up very quickly. The Inn was going into foreclosure, John Wheeler from Grand Rapids came in and is buying the entire hotel. He has gotten Hilton involved and the name will be the Hilton Garden Inn. The entire place will be remodeled inside. This will be about a 25 million dollar project that will start in January and the hotel should be completed in June and the convention center following in about 8 or 9 months after that. The county is going to buy a piece of the hotel that has some convention rooms in it which will be about 11,000 square feet and then build on another 30,000 square feet that will be able to hold a variety of events. There will also be a restaurant built on called the Twisted Rooster. They will provide the catering to the convention center as well as room service to the hotel as well as being a full service restaurant. The restaurant will seat 200 hundred indoors and 200 hundred outside. Baker College will also be involved by building a culinary arts facility which will allow them to be integrated with the hotel, restaurant and convention center.

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They should have construction completed in 9 months and then in another year they plan to build two dormitories. This entire project will be a great benefit to the area.

Regarding the landfill we have been working on getting some legislation that would allow us to do some different things out there. Senator Pavlov started the process 7 or 8 years ago and it has finally come to fruition. I had the honor of going to Lansing and meeting with Governor Snyder and he signed House Bill 4875. This bill allows us to move from a double liner system to a single liner system. When we set up our landfill we took a 3 acre parcel and did different things including putting in some leach-aid and septage and working with the bio-reactor system. At the time the state insisted we do a double liner system. We did that and they studied it and said the single liner system will work. That will open up the rest of our landfill for us to do more and not have to double line it. It benefits all communities and is an important piece of legislation.

Through this bio-reactor system we have been taking the methane gas from the landfill and converting it to electricity. Last week Detroit Edison fired up their two generators and we are now generating about \$2,000 worth of electricity every single day that we are selling to Detroit Edison. This is going to benefit the county.

The water monitoring system is on everybody's mind. The water system starts in Port Huron and all the intakes that run along the way have a monitoring device installed in them. It goes all the way down to Monroe. The federal government had enough money to install the system and a little left over for the monitoring. That money has all been spent but St. Clair County has stepped up and is funding the monitoring of the intakes in our area. This is the water we are drinking and this is an important program to keep going. Macomb has matched St Clair County's \$50,000 and this will fund the system for another year. The county health department is investigating changing some of the equipment so it will be less expensive to operate the system. We are working on a solution to how to fund the system in the future. Possibilities include a user fee on water or getting contributions from the municipalities. We will keep you advised on our progress.

Blue Water Hospice has almost completed their facility. The facility is up in Marysville and will have an Open House on December 10th, from 11am till 5pm. It has twelve rooms that all face a pond. It is a beautiful state of the art facility. They plan on building an additional twelve rooms. The county sent a letter regarding the recycling program. We have offered to sell the containers for \$1.00.

Regarding the Hunt Club property we have been talking to people about the grant that is needed to acquire the 440 acre property. I picked up the report from the DNR and from all of the grant applicants Clay Township came in second. It is a point system application and Clay Twp scored very well and is in very good shape. I have been approached to get some more funding for this project and there is a possibility if this all comes together that Park's and Rec might kick in \$25,000. It looks good to the DNR that they aren't the only one investing in the project. If Clay Twp pledges \$25,000 let Park's and Rec know via letter and request a match pledge from them. If the grant does not come through no one loses any money.

The last thing I have is regarding the I-69 corridor. There is talk of creating a super highway from Port Huron thru Flint to Lansing that hooks into I-75. Five counties would be involved. It would involve rail and highway systems and create zones on either end that would attract businesses and possibly create tax free zones and renaissance zones. It is a complicated thing to put together and we were just notified two weeks ago and they want us to sign off on it in another two to three weeks. We have had one public hearing and there is another public hearing

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on December 1st at 5:30pm at the county building. I can be contacted through my county email or my website for more information.

Krueger: What was the reason for the county participating financially in the Thomas Edison Inn convention center? Will it generate money for the county or just improve business and tourism?

Gratopp: If it makes money we will be surprised. We are looking to break even. We studied this and discovered typically private business does not build convention centers. Most are owned by municipalities. We are in an ideal location for this type of facility with the border crossing and I-69/I-94. We will receive funds from the city and the Visitor's Convention Bureau, rental and user fees. This will create jobs and draw business to the area. The value of the land will also double in value increasing tax base.

Krueger: You briefly mentioned the recycling program. By the county getting out of this popular program it puts the responsibility and the costs onto the individual communities. This could cost \$20,000 to \$40,000 per year. I wasn't pleased to get the letter from the county.

Gratopp: We agonized over this decision. We are spending over \$300,000 a year on the recycling. In the beginning we were making money. Now the recyclables are not worth anything and we had to find a place to cut. We are going to keep Smith Creek open and it may be an inconvenience to the further out communities. Those communities that keep their dumpsters will have to find a way to haul them.

Krueger: Is Smith's Creek going to try and subsidize the dump fees? The two aspects involved are going to be hauling the containers to and from the landfill and then the cost of the fees at the landfill. It would be nice if they could pick up the containers for a reasonable fee.

Gratopp: I will look into it. Maybe we can look into ways to offset costs for you and still save us money.

2. Fire Department Request for Trainee

Chief DuPage: Brenda Lee Hoover has her EMT license and is an RN full time and will test for her Firefighter I/II in December.

Motion by Turner, supported by Shirkey, to approve Brenda Lee Hoover as a trainee on the Clay Township Fire Department

AYES: All

NAYES: None

MOTION CARRIED

3. Discuss Continuation of Recycling Program

Krueger: We just talked a little about this already. This is a cost we are going to have to look at. This program is very popular with our citizens. I talked to Matt Williams at the landfill and in 2010 we had 87 runs and we are running higher than that this year. We are going to have to figure out how or if we are going to fund this or what alternatives we have.

Straffon: Do we know what the cost would be to the township?

Krueger: I haven't called the different sites to see what their tipping fees are. I don't know what those costs will be yet. As for transporting the dumpsters, it will be approximately \$200 per trip. I will be bringing back to the board more information and specific costs at a later time. The containers are being made available to us for \$1.00 a piece by the county.

Shirkey: Are the cans/containers you are talking about the individual curbside one's?

Krueger: No, they are the big 20 yard roll off ones.

Horvath: Didn't Richfield offer curbside recycling?

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Turner: We have it now. Each individual resident can sign up and pay Richfield directly \$65.00 per year for curbside pick up. They arrange it through Richfield individually.

Shirkey: We really need to look at recycling to save our land.

Krueger: We need to look at if we want to do this township wide, or make it the individual's responsibility or any other options. We will bring this back at a later date.

4. Request for Funds for Purchasing Hunt Club Property

Krueger: We have a group that has been working on this for three years and has put in a grant application with the Michigan DNR Land Trust. We have been rated number two on the list of acquisition applications. There is a meeting on December 6th and at that time the applicants are given an opportunity to present any new information. It's possible if there was a little community monetary "support" presented at this meeting it might push our application over the top. There have been new developments regarding the property.

C. Miller: It is difficult to give any facts on the status regarding the property because we are just as much in the dark. There is talk of foreclosure as of last Friday. From our perspective as of tonight I don't see any real change in our objective. If anything I may suggest this may cause the price to come down by a couple of million dollars. Making it to number two has been a fantastic achievement. We will get clarification on the situation before December 6th. As far as the request for tonight, the fact is that the "real" money to be pledged for this project has been hard to find. We have had phenomenal interest and support from the community but we need actual financial pledged support. We are right at the final stage of the grant process and we need some tangible monetary support that we can show the DNR that our community and citizens are behind this project. December 7th is the big day when the decision is made. We are asking the township for a "pledge" of funds. If we are successful on December 7th then the money would change hands. If not, there is nothing lost.

Straffon: What will the park be used for and what is the purchase price and where will the rest of the funding come from?

C. Miller: The park has been listed with the MNRTF at 6.6 million dollars. It's based on a 2008 appraisal. It will have to be re-appraised, the number reported now is 4.4 in the newspaper but I don't know the actual number. It will change depending on the circumstances. The MNRTF will determine where it will end up because that is where the grant money is coming from. As for what we will do with it, it fits perfectly as a buffer to wildlife. The property contains rare environmental terrain called Freshwater Emergent Prairie. We would use the property to make Clay Township a destination location. We would use it as an educational center and an environmental outreach center. We could provide biking and hiking trails. We are working on getting rid of the Phragmites to regain the use of the inland waterways for canoeing and kayaking. There is an economic component that will bring visitors to the area to frequent our businesses. We have people committed to this project and I predict good things happening. I believe some of the purchase price was allocated towards operation/maintenance of the park. Clay Township would own the property and is already in the Master Plan. In the future the township can have a 5013C organization manage it. This property will enhance the intrinsic value of this area.

Krueger: This money would show the grant committee our commitment to the project and if it falls through we are not out any money. We have a Parks and Recreation fund that can only be used on those types of projects. We have about \$400,000 and it can't be used for anything other than parks or recreation expenses. We have support from SEMCOG and the county.

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Motion by Horvath, supported by Shirkey, to set aside \$25,000 from the Recreation Fund towards the purchase of the Hunt Club property.

AYES: All

NAYES: None

MOTION CARRIED

5. Discuss Request from Professional Staff re: Contract

Krueger: We came to an agreement with the office staff and one of the issues that has come up after the fact is that they were told by Jay and their business agent that the 3.5% we were putting into MERS could be taken out if needed. That is not the case and they have said that they were told they could and that is why they agreed to the contract. They want to be able to get to those funds if they want to. I said I would bring it to the board. Our commitment is 3.5% and it doesn't matter if we put it in MERS or some other account or even cut them a check for it. We have Nationwide that we are set up with and we could put the money in there. We don't have to do it. The contract is what it is, but I don't think it's an unreasonable request based on what they were told. The way the contract reads we contribute 3.5% percent of their annual salary into a MERS health care savings plan account that the employee can use for post retirement healthcare expenses. Those funds can't be touched until they leave employment and can only be used for healthcare related expenses. They were told they could access the funds like a 401K.

Turner: I believe Nationwide only lets you access the money after you leave employment. Would we start fresh and what would happen to the money that's already in the MERS account for the employee?

Krueger: That money would stay in MERS and we would have to start fresh.

Shirkey: So they don't care about post employment health but want to have access to there money if they want.

White: The employee's were told when this account was started a few years ago that they were required to contribute \$600 per year out of their wages into this health care savings plan. They were told it was like a savings plan that earned interest and would be their account and when they left employment they could use the money for health care costs. It is not a savings but an investment account. They incur monthly administration fees and have lost money on the investments. The employees have their statements that show they have lost a significant amount of their money because of the stock market and fees.

Shirkey: This could open a can of worms with the other unions.

Horvath: Why wasn't this brought up in negotiations? I agree I would want access to my money too but it always seems things come up after the fact.

Krueger: The employees were told they could access the money so it wasn't an issue.

Horvath: How often do we make the 3.5% contribution?

White: I make the contribution when I do payroll every two weeks because it's based on their wage. It averages about \$40.00.

Krueger: It won't impact the township but we will have to open the contract and change the language through the union business agent and employees.

Turner: Laura Petzel is here and she is the union steward. She can shed some light on things.

L. Petzel: On the last contract Mr. Pellerito said all employees of the township required to contribute to this health care savings account or our health insurance would change. We accepted it but found out after the fact that no other township employees had to contribute and we were

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angry that we were forced to do this. We requested a previous board to get out of it but they denied it. So now four years later I have put about \$2900 dollars in this account and my statement last week says I have \$2500. It hasn't gained any interest I have lost \$400 of my own money. We want out of it.

Krueger: The employee's are no longer required by the contract to contribute but this is where the township is contributing the 3.5% to and the employees don't want it going in there.

White: The office staff is the only group in the township has given up the benefit to have post retirement health care. The agreement was if they give up the right to have the township pay for their healthcare after they retire we would put 3.5% of their wages in an account for them. This is a major benefit to the township considering the average cost of insurance. This takes the liability off our books.

L. Petzel: It was a lump sum buyout agreement. We were supposed to get 3.5% times the number of years we have been here and from here on out 3.5%. That is why some of the employee's agreed to this. They wanted that lump sum payment that they could do what they wanted with.

Turner: I was witness to this being told to them. They want a safer place for their money. In the past we had set up individual savings accounts at the bank.

Shirkey: We can't be investment brokers for the employees.

Krueger: We are not going to open the whole contract but just this one item. If they don't want the 3.5% going into that health care account we can do put it wherever they want. It doesn't affect our commitment.

Horvath: In the event we get rid of MERS can they take the 3.5% every week?

Krueger: It will have to be negotiated.

Motion by Krueger, supported by Turner, to authorize the Supervisor to negotiate with the Professional Staff on the one item of the 3.5% Post Retirement Healthcare contribution.

AYES: All

NAYES: None

MOTION CARRIED

6. Goodfellow's Request

Krueger: The Goodfellow's are requesting permission to sell candy canes and newspapers.

Motion by Turner, supported by Straffon, to allow the Goodfellows to sell candy canes November 25th through 27th and newspapers on December 11th and 12th.

AYES: All

NAYES: None

MOTION CARRIED

PUBLIC COMMENTS

B. Collins: Commented on Harsens Island break-in's. Need more police presence on the island.

W. Simon: Coast Guard meeting changed to December 7th from the 8th

B. Licata: Commented on behalf of Island homeowner re: break-in's

D. Drake: Reported that Island break-in's are being investigated and suspect's are identified.

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BOARD MEMBER COMMENTS

Straffon: Recommended that fire department communicate to public about capabilities and equipment. Commented on recently losing a parent and reminded everyone to be thankful this Thanksgiving.

Krueger: Comment regarding inventory list.

Shirkey: Questioned where the proceeds generated from auction's go to and what the cutoff date is for the building inspector position.

White: Position was posted for thirty days and the fire and police department receive the funds from their own equipment sold.

Horvath: Questioned the status on the bidding of the ladder truck. Recommended signage be posted to advise people that building permits are required.

Fetter: Questioned if there is any progress on mutual agreement regarding fire truck

ADJOURNMENT

Motion by Turner, supported by Straffon, to adjourn at 9:19 p.m.

AYES: All

NAYES: None

MOTION CARRIED

Lisa M. White
Clay Township Clerk

Prepared by
Lisa M. White
Clerk