

Minutes of the Clay Township Regular Board Meeting Held on Monday November 20, 2006 in the Clay Township Meeting Hall, 4710 Pointe Tremble Road, Clay Township, Michigan 48001

ROLL CALL

Present: Supervisor Jon Manos, Clerk Michael Pellerito, Treasurer Connie Turner, Trustee Patricia Sharrow, Trustee John Makuch, Trustee Jay DeBoyer, Trustee David Dare

Absent: None

Citizens: 34

BILLS PAYABLE

Motion by Turner, supported by Makuch, to pay the bills in the amount of \$112,814.89

ROLL CALL VOTE

AYES: Sharrow, Makuch, Turner, Pellerito, DeBoyer, Dare, Manos

NAYES: None

MOTION CARRIED

CONSENT AGENDA

Motion by Makuch, supported by Dare, to approve the Consent Agenda as presented

Turner: Request to read letter from Fire Chief Edler

Pellerito: Read letter requesting donations for the Clay Township Goodfellows

AYES: All

NAYES: None

MOTION CARRIED

Supervisor Manos introduced Chief Drake, St. Clair County Prosecuting Attorney Mike Wendling and Senior Prosecuting Attorney Mike Hulewicz.

Chief Drake: Tuesday April 18, 2006 there was a traffic stop of a man who owned a house on Harsens Island and the seized 435 pounds of high grade marijuana. Prosecutors immediately responded and assisted us with search warrants and we were able to confiscate the house and get a foreclosure on it. Also when we had a fatal hit-and-run on Anchor Bay Drive the Prosecutors came immediately and helped with gathering information. Want to thank them for doing a good job.

Prosecutor Wendling reiterated the arrest and ensuing prosecution resulting in Clay Township Police Department receiving a check in the amount of \$30,000.00. He praised the Department for their professionalism and the respect for the Department, and their creditability.

OLD BUSINESS

1. Property Acquisition

Manos: Commented on what has been done up to this time on the acquisition and read a prepared update; current rate of interest on loan is 4.45%. Have enclosed a Concurring Resolution to be passed by the Township Board and the DDA Board and a second resolution to purchase the property and allow the Supervisor, Clerk and Treasurer to execute the financing agreement with Seaway Community Bank. Recognized the DDA members present.

Mark Thompson of DDA Board: DDA did make a motion to pledge up to \$500,000.00 for capital improvements if the property is purchased. Would like to see a committee of two from each board and perhaps a couple of citizens to figure what would like to do on the property. DDA is behind the Township Board on this purchase.

Manos: DDA has a limited life, the capture dollars are available now, and need to use them before we lose them. Board Comments?

Makuch: Best to buy it outright, cleaner. DDA can still do their contribution. If can combine lots and get conforming lots and the bank agreement allows for sale of the lots with proceeds going to principal, but can't count on that. Would like to see a low deposit and contingencies for the structure removal. There is an intrinsic value to property and for DDA to do improvement the property must be in the DDA district. Having adjacent property is advantageous.

DeBoyer: Does it make sense to do the Concurring Resolution and form the committee to determine what to do with the property before buying?

Manos: Many things can be done with the property such as parking. First payment would not be until the 2007/2008 budget. If we wait interest could go up, should not postpone.

Dare: Could we do a walk through on the house and possibly use it on one of the lots?

Thompson: There is fifteen thousand set aside in the contract for demolition but maybe could salvage, move it and sell it.

Makuch: The resolution gives the three-elected official authority to sign, would Board still approve the purchase?

Manos: This is technical language the Attorney said was needed.

Minutes of the Clay Township Regular Board Meeting Held Monday November 20, 2006

Page 2

Sharrow: Will play Devil's advocate: Would love to have 100 feet beside this building for parking, hard to believe the owners would not sell that, but that is their decision. The interest over the fifteen years it would be over two hundred thousand dollars (\$200,000.00) so would have over three quarters of a million dollars out of General Fund. Have no real estate appraisal in front of us; does have extra value to us because of proximity. Have cut road budget the last two years, next year I will campaign for a half million dollar road budget; think basics are more important. Community Buildings are white elephants. I think our people would like parkland; survey not complied for definite answer. Fuller property is twenty-eight acres, could make a real park. Will need to buy cemetery land in the coming years. Would vote to buy 100 feet next to us and would like to see an appraisal.

Manos: Described steps that have been taken, should use DDA money or will lose it, would like Board to give some direction.

Sharrow: If DDA knows we are looking at some kind of acquisition they could not spend that money and it could be used somewhere.

Makuch: Think purchasing property is more important in terms of parking and expansion later on, also looking at DDA funds, not in agreement with their expenditures in the past but think this is an overall good decision. Want to hear other Board comments.

Turner: Think it is a plus for the Township, opportunity to have someplace for citizens to use.

Pellerito: As a park a moot point, don't want a 27 acre park to send police to, have 4,000 acres in St. John Marsh, 3,000 acres on Harsens Island and the 10,000 acre State Park, have ample parks. May need a water plant someday, would have property to do so, need parking immediately, lots and house if used will lower the purchase price. When parking is done some picnic tables and grills could be used for the next five to ten years and our police officers will be coming and going and will monitor that park. The purchase assures that when the Township needs to expand it can; want to keep the office complex together rather than spreading it out over the Township.

DeBoyer: Have we expressed interest in purchasing a portion, and if so what was their response?

Pellerito: Yes we have and they said no.

DeBoyer: The commitment from the DDA, can any portion be used towards the purchase?

Turner: No, capital improvements only.

Manos: Legally they could buy it, DDA has other commitments, willing to commit \$500,000.00 and they can't borrow for the term we can. When the Authority sunsets any assets come to the Municipality.

DeBoyer: I am somewhere in the middle, do see proximity value but building I'm not sure. Would like to know our direction before we get into it, hate to commit and spend money because it is there to be spent. So people understand the DDA monies are monies we capture, it is money we wouldn't have had if we didn't have the DDA. Not spending money that could be spent on other things. In the middle, don't know about the building.

Manos: It is an investment in the future.

Dare: I am for buying the property, would like a recent appraisal first.

Sharrow: Is there a drain easement to the river on this property?

DeBoyer: There is one at the foot of Lakepointe.

Sharrow: Has DDA discussed luring in some service industries?

Thompson: Yes, have talked about it. Speaking for myself, don't have a plan but is like the egg and the chicken. If spend a year putting the plan together and the property is not available, what good is the plan? This Board needs to decide if going ahead, then can put a committee together.

Manos: Thank you and DDA for commitment. Either a motion to adopt or not adopt.

Motion by DeBoyer, supported by Makuch, to adopt the Concurring Resolution for Property purchase and Capital Improvement.

ROLL CALL VOTE

AYES: Makuch, Turner, Pellerito, DeBoyer, Dare, Manos

NAYES: Sharrow

MOTION CARRIED

Motion by Makuch, supported by DeBoyer, to approve the resolution to purchase the Gooden property with stipulation that the purchase agreement is the same as what we have seen in terms of the manner in which the house is addressed and the deposit and the rate of 4.45%.

ROLL CALL VOTE

AYES: Turner, Pellerito, DeBoyer, Dare, Makuch, Manos

NAYES: Sharrow

MOTION CARRIED

PUBLIC COMMENTS RELATING TO ANY NEW BUSINESS

None

NEW BUSINESS

1. Clay Township Professional Staff Contract

Pellerito: Contract runs from July 1, 2006 to June 30, 2010. The new language will be the \$300.00/\$600.00 co-pay for post employment/retirement health care insurance. Will be Three hundred dollars (\$300.00) for the associate and Three hundred dollars (\$300.00) for their spouse, dependants at home would be covered under the associate. Also included in the language of the contract, the Six hundred dollar (\$600.00) HCSA which will be administered by MERS, at a rate of \$28.03 weekly, which will reduce the FICA responsibilities for the Township and reduce the taxes for the associate, providing health care dollars at retirement. There is a 2.5% raise each year over the four year contract and discipline/discharge language has been added, thereby cleaning up any doubts as to what is a fire able offense and what is a reprimand offense. The BC/BS program which consists of the HCSA with a \$1250.00 savings for single, \$2500.00 for a double, which will tier into and HRA which will have a \$2,000.00 single co-pay and \$4,000.00 family co-pay that will segue into a PPO with a 70% co-pay which will then be satisfied by the HRA and the HCSA. No additional out of pocket expenses, have maintained the cafeteria program, the two deferred compensation programs and all the various individual MERS retirement programs. Like to thank the Professional Office staff, good to work with.

Turner: Said 2.5% across the board, believe 3% the first year

Pellerito: Thank you for pointing that out, it is 3% the first year in which the Six hundred dollars (\$600.00) will start on that HCSA, will start on July 1st.

Motion by Sharrow, supported by Makuch, to accept the agreement between the Township of Clay and the Clay Township Professional Office Staff

ROLL CALL VOTE

AYES: Pellerito, DeBoyer, Dare, Sharrow, Makuch, Turner, Manos

NAYES: None

MOTION CARRIED

2. Clay Township Police Dispatchers Contract

Pellerito: This is the same with the Three hundred dollar (\$300.00) and six hundred dollar (\$600.00) co-pay on retirement, the HCSAs and the various health care changes are all also in this contract, 3% raises across the board over the life of the contract, running from January 1, 2007 with no raise because the POLC was still under contract effective to June 30, 2007 and they asked to open the contract to enroll the new health care programs; we did and extended the contract three more years. No other changes. Put in health care programs, modified current insurance programs and 3% across the board for three more years.

Motion by Makuch, supported by DeBoyer, to approve the contract between the Township of Clay and the Clay Township Police Dispatchers

ROLL CALL VOTE

AYES: DeBoyer, Dare, Sharrow, Makuch, Turner, Pellerito, Manos

NAYES: None

MOTION CARRIED

3. Clay Township Assessor Contract

Manos: Basically the same, 3% across the board predicated on putting \$600.00 into the HCSA and the removal of payment for unused sick, flex or personal days at the end of the year, like to see them used up.

Makuch: Like to thank those involved in doing the negotiations on behalf of the Township.

Motion by Makuch, supported by Sharrow, to approve the contract between the Township of Clay and the Assessor as presented.

Pellerito: Trustee DeBoyer brought up the benefit day, the Assessor's contract is the first of the management contracts to use the benefit day terminology thereby alleviating any future payoff so when a budget is set that is what it comes in at. Next meeting Rick Edler and Mike Kras contracts.

ROLL CALL VOTE

AYES: Dare, Sharrow, Makuch, Turner, Pellerito, DeBoyer, Manos

NAYES: None

MOTION CARRIED

Minutes of the Clay Township Regular Board Meeting Held Monday November 20, 2006
Page 4

4. Lot Split 06-11 John Horvath Golf Course Road

Sharrow: Planning Commission received this lot split with one lot having an accessory building and no house. Advised applicant could apply for building permit or go to ZBA. Choose to apply for building permit and has done so. Township Attorney advised should have some kind of bond until at least the floor of that house is started.

Motion by DeBoyer, supported by Dare, to approve lot split 06-11 with the condition that he apply for a construction permit.

Manos: Have a glitch here, applicant went to get a permit; can't get the permit until there is a lot split, can't split with an accessory building there. Need to set a bond until building is started.

DeBoyer: Will amend my **motion** to; approve lot split 06-11 with the condition that he apply for a construction permit and post a \$250.00 bond until building started. Dare supported amended motion.

Pellerito: When will the bond be refunded?

Manos: When floor is put down.

ROLL CALL VOTE

AYES: Sharrow, Makuch, Turner, Pellerito, DeBoyer, Dare, Manos

NAYES: None

MOTION CARRIED

5. Resolution to create Special Assessment District and Set Public Hearing

Manos: For dredging on Anchor Bay Drive

Turner: Have we received financial information?

Pellerito: Not yet, will receive before public hearing.

Motion by Sharrow, supported by Makuch, to hold the public hearing of necessity on December 18, 2006 at 7:00 p.m. for Anchor Bay Drive/North Channel dredging project.

ROLL CALL VOTE

AYES: Makuch, Turner, Pellerito, DeBoyer, Dare, Sharrow, Manos

NAYES: None

MOTION CARRIED

6. Algonac Goodfellows request to sell papers

Motion by Sharrow, supported by Dare, to allow the Algonac Goodfellows to sell their newspapers in Clay Township on December 9th and 10th, 2006

AYES: All

NAYES: None

MOTION CARRIED

7. MSU Extension Citizen Planner Class

Motion by Turner, supported by Dare, to allow the two new Planning Commission members to attend the MSU Extension Citizen Planner Class

AYES: All

NAYES: None

MOTION CARRIED

8. Mainland Fire Department request for Trainee

Motion by Sharrow, supported by Makuch, to allow the Mainland Fire Department to bring on Travis Sippo as a trainee in the department

AYES: All

NAYES: None

MOTION CARRIED

9. St. Clair County M.T.A. Annual Dinner Meeting

Motion by DeBoyer, supported by Dare, to allow any Board member who would like to, to attend the M.T.A. Annual Dinner Meeting

AYES: All

NAYES: None

MOTION CARRIED

PUBLIC COMMENTS

L. Kasperowicz, 6603 Dyke Rd: Question Trustee regarding appraisal.

S. House, 6418 Swartout Rd: Read and presented letter to Board

Minutes of the Clay Township Regular Board Meeting Held Monday November 20, 2006
Page 5

C. Kirkpatrick, Wright Drive: Comments on land acquisition
A. Schaible 6186 Swartout Rd: Comments regarding Planning Commission
P. Megel, 9324 Stone Rd: Questioned land purchase, etc.
K. Rosso, 8334 McKinley: Comments on land purchase and PUDs.

BOARD MEMBER COMMENTS

Sharrow: Christmas lights up next meeting?
Pellerito: Wished all a happy Thanksgiving

ADJOURNMENT

Motion by Makuch, supported by DeBoyer, to adjourn the meeting at 9:20 p.m.

AYES: All

NAYES: None

MOTION CARRIED

Michael P. Pellerito
Clay Township Clerk