

Minutes of the Clay Township Regular Board Meeting Held Monday July 7, 2008 in the Clay Township Meeting Hall, 4710 Pointe Tremble Road, Clay Township, Michigan

Supervisor Manos called the meeting to order at 7:30 p.m.

ROLL CALL

Present: Supervisor Jon Manos, Clerk Michael Pellerito, Treasurer Connie Turner, Trustee Thomas Krueger, Trustee John Makuch, Trustee Jay DeBoyer

Absent: Trustee David Dare

Citizens: 14

BILLS PAYABLE

Motion by Turner, supported by DeBoyer, to pay the bills; 07/08 in the amount of \$31,407.54 and the 08/09 bills in the amount of \$219.87, for a total of \$31,627.41

ROLL CALL VOTE

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

NAYES: None

ABSENT: Dare

MOTION CARRIED

CONSENT AGENDA

Motion by Makuch, supported by Turner, to approve the Consent Agenda as submitted.

AYES: All

NAYES: None

MOTION CARRIED

OLD BUSINESS

Manos: Regarding the lawsuit with Tetra Tech, all the papers have been signed and expecting payment within the week. Also have the Township Attorney's bill to pay.

Pellerito: Will the attorney bill be paid out of the 07/08 budget year? The Water Fund has not been budgeted for it.

Manos: McNamee's final bill for settlement with Tetra Tech, should entertain a motion to pay the bill upon receipt.

Pellerito: The City of Algonac has been paying their portion of the bill all along and will take the settlement amount and put it into the Water Replacement Fund and expecting us to do the same. So they are putting their share of the settlement into the Equipment Replacement Fund.

Manos: They may expect us to do that but we are only required to place each year a specific amount into the Equipment Replacement Fund. I believe we have an adequate amount in there.

Pellerito: When the 5th skid came in and then the upgrade and we decided to purchase the filters as a replacement the expenditures of these monies were going to be put back into that fund to bring it back to where it should be. That is why we have been saying that is where the money would go.

DeBoyer: We don't have thirty-five thousand budgeted in the Water Department's budget to pay the bill.

Manos: I think the money should be accepted into the Water fund then from there whatever it took to recover that amount of money Mr. McNamee's bill would be paid from that and the remainder would be transferred into the Equipment Fund.

DeBoyer: What is our contractual obligation?

Pellerito: There is no contractual obligation, what there has been for the past five years plus is discussions between the communities as to a separate account into which the monies would be deposited. There are beliefs that under the Drinking Water Revolving Fund these monies should be segregated, we haven't and we have been audited by Plante & Moran and we have our portion. Both the Township and City attorneys have put together an agreement requiring multiple signatures from both communities to make purchases for replacements. We have held it in abeyance pending this settlement and now it is done and the City has been paying its legal expenses not out of the water operations but out of a specific fund and it has been said all along that as soon as we get this money let's get the bank account set up and get these monies into it. Two things, one, this should be paid out of the Water department and two, don't think we should take it out of these monies if we have left this on the table until such time as it was completed.

DeBoyer: Perhaps can pay him and put the residual into that fund but then we are going to have to address the balance, that we would like to make that fund flush as we move forward.

Minutes of the Clay Township Regular Board Meeting Held Monday July 7, 2008

Page 2

Manos: We have a fund in the water department that is sitting idle, the emergency replacement fund that was established before we remodeled the plant.

Turner: It shows it on the books, it is a reserve fund.

Manos: Established years ago that each community would put in a specific amount. That fund should be transferred over into the new equipment replacement fund, no sense in having two. It's just a matter of an accounting procedure.

Pellerito: To make this clean, approve the bill out of the water department budget, amend the water department budget to bring it to fund balance and then discuss it with the City of Algonac as to what we are going to do here.

Turner: They have never sent us a bill for repairs.

Pellerito: They have, there have been negotiations all along, and this entire equipment replacement issue has been put on hold pending this lawsuit because we have spent dollars that were not part of the lawsuit to upgrade the plant. So we said if we spend a quarter of a million dollars there would still be some residuals back this way to offset that price. So we still had an expense.

Motion by Pellerito, supported by DeBoyer, to pay Attorney McNamee \$35,354.71 out of the water department, line 957.

Krueger: Does everyone agree the bill is proper?

Pellerito: Yes, verified with the City as to theirs and we are within a couple hundred.

ROLL CALL VOTE

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

NAYES: None

ABSENT: Dare

MOTION CARRIED

PUBLIC COMMENTS RELATING TO ANY NEW BUSINESS

C. Winters, 6242 Swartout Road: Comments on #1. Amendments to Ordinance #126

NEW BUSINESS

1. Amendments to Zoning Ordinance #126

Makuch: On the first, one talking about accessory structures on multiple water courses, I have gone through it pretty thoroughly. Like to commend those putting this together. It has come before the ZBA quite a bit, it costs extra money, this streamlines the process, makes it easier for applicants.

Motion by Makuch, supported by Krueger, to approve both amendments to Zoning Ordinance #126, 126-02 and 126-03.

ROLL CALL VOTE

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

NAYES: None

ABSENT: Dare

MOTION CARRIED

2. Resolution #2 – Lake Drive Road Repair & Maintenance to Prepare Roll

Motion by Makuch, supported by Turner, to adopt Resolution #2, Lake Drive Road Repair & Maintenance renewal special assessment district.

ROLL CALL VOTE

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

NAYES: None

ABSENT: Dare

MOTION CARRIED

3. Resolution #3 – Lake Drive to set Public Hearing for Comment

Motion by Makuch, supported by Turner, to adopt Resolution #3 Lake Drive to set the Public Hearing for August 4th at 7:00 p.m.

ROLL CALL VOTE

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

NAYES: None

ABSENT: Dare

MOTION CARRIED

4. Resolution #2 – Dandron Highway Road Repair & Maintenance to Prepare Roll

Motion by Makuch, supported by Turner, to adopt Resolution #2 for Dandron Highway Road Repair and to prepare the roll

ROLL CALL VOTE

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

NAYES: None

ABSENT: Dare

MOTION CARRIED

5. Resolution #3 – Dandron Highway to Set the Public Hearing

Motion by DeBoyer, supported by Makuch, to adopt Resolution #3 Dandron Highway Road Repair and set the Public Hearing for August 4th at 7:15 p.m.

ROLL CALL VOTE

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

NAYES: None

ABSENT: Dare

MOTION CARRIED

6. Clay Township Office Roof Repair

Pellerito: This bid is by original contractor who installed the roof. Thought it in best interest of the Township to bring back the original as to not get into any warranty issues since it does have the extended warranty. The claim has not been turned into the insurance company, we have a thousand dollar deductible. Up to Board if we turn it in or pay the whole thing out of building maintenance.

Motion by Turner, supported by Makuch, to pay the \$1,800.00 to repair the roof and pay for the full amount.

Manos: What is our history of claims?

Pellerito: One claim on June 21st, first claim in two years, storm blew out the paging system for the Fire department. The claim is \$5,800.00 and it has been approved. Don't know if it is advantageous for \$800.00 or not, would bring our history up. Have not received our renewal price for 08/09 as yet.

AYES: All

NAYES: None

MOTION CARRIED

7. Richfield Equities LLC fuel Surcharge

Manos: This is something that has been coming, we have kept the garbage rates low for the community but there is a clause in the contract that says if the diesel fuel goes up they have to get an adjustment.

Pellerito: Along with the twenty-eight cent increase, which is \$1.65 per stop per month, we negotiated this in the contract. We are in the third year of the contract and I think diesel fuel was somewhere around \$2.50 range and it is now \$4.50 range. We also need to talk about the chipping.

Motion by Pellerito, supported by Makuch, to allow for the fuel adjustment charge of \$1.65 per stop for the month of June based on a ratio of 5109 units

AYES: All

NAYES: None

MOTION CARRIED

8. Water Department Request for Road Repair

Pellerito: Both contractors meet all of MDOT requirement and on the County approved list. Requesting Asphalt Unlimited, have used them before.

Motion by Pellerito, supported by Makuch, to accept the Superintendents recommendation to award the four areas to be paved; 2665 Pointe Tremble Road, 310 North Parkway, Estergreen & M-29, River Street & M-29, for a total amount of \$7,125.00.

AYES: All

NAYES: None

MOTION CARRIED

9. Michigan Municipal League Worker's Comp Policy Premium

Pellerito: A massive reduction in our experience modifier. Fours years ago our modifier experience was 1.4. Department Heads with a cooperative effort have lowered the experience down to .86 they should be .82, which is great. Have several volunteers on long-term worker's comp so that rate will be gone; grab this rate.

Motion by Pellerito, supported by DeBoyer, to pay the Michigan Municipal Worker's Compensation Fund \$29,765.00 which also is inclusive of the actual premium being \$45,233.00, reflects two dividends that were applied to the premium in the total amount of \$6,569.00 and \$8,166.00 that these fees be broken out to the respective departments.

ROLL CALL VOTE

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

NAYES: None

ABSENT: Dare

MOTION CARRIED

10. Michigan Townships Association Dues

Motion by Pellerito, supported by Turner, to pay the 08/09 Michigan Townships Association dues in the amount of \$5,512.00

AYES: All

NAYES: None

MOTION CARRIED

11. Resolution Establishing FOIA Request Fees

Pellerito: Since gone digital former resolution did not include DVDs so have added the \$20.00 fee for a DVD, all other fees remain the same.

Motion by Pellerito, supported by DeBoyer, to adopt the resolution establishing FOIA request fees.

ROLL CALL VOTE

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

NAYES: None

ABSENT: Dare

MOTION CARRIED

12. DRC Resignation

Pellerito: The person resigning cannot be here tonight because of the death of her son. Want to thank her for her involvement with the Down River Recreation Commission, has done a lot for the community and is no longer able to serve.

Motion by Pellerito, supported by Turner, to regretfully accept the resignation of Michelle Nolan from the DRC.

Makuch: Would like to thank Michelle for her work.

AYES: All

NAYES: None

MOTION CARRIED

PUBLIC COMMENTS

R. Wronski, 8871 Marsh Road: Gave his resume

D. Cole, 7251 Audubon: Complaint on boat storage in canal

B. Hart, 7257 Audubon: Boat and garbage pick up day

C. Winters, 6242 Swartout Road: Mistake on earlier comment, thought different amendment

BOARD MEMBER COMMENTS

Makuch: Recycling yard and chipping. Ought to buy chipper and have the water department do the chipping. Put on next agenda

Manos: Years ago paid for chipping, stopped because of cost. Looked at renting a chipper, wasn't that expensive, should look into it again.

DeBoyer: Had 200 yards in a month, but had a storm

Makuch: Troy offers wood chips, don't know if have to pay.

Pellerito: Should make them free

DeBoyer: John McNamee was here two months ago and we discussed the water deal with the City and us and Cottrellville, have we heard anything?

Minutes of the Clay Township Regular Board Meeting Held Monday July 7, 2008

Page 5

Pellerito: Talked to the Supervisor from Cottrellville; he had the agreement, had him fax it to me so its there.

Manos: McNamee is talking to the City of Algonac; they have to approve us moving forward. The text is there, if we can bring it back the next meeting, see if the City gives us a letter to go ahead.

Pellerito: Think a call to the City is in order to see if we can get it moving.

DeBoyer: Apparently we had a report come back from Plante & Moran on District 7 water issue and wondered if it is available.

Manos: Have not submitted a formal. Talked to Connie and me and they are going back to ship us something confirmed. What they had was preliminary.

ADJOURNMENT

Motion by Makuch, supported by DeBoyer, to adjourn the meeting at 8:27 p.m.

AYES: All

NAYES: None

MOTION CARRIED

Michael P. Pellerito
Clay Township Clerk