

REGULAR LITTLEFIELD TOWNSHIP BOARD MEETING

February 5, 2019 TIME: 7:00 PM

Meeting called to order by Damien Henning, Supervisor. Present: Dean Morford, Trustee, Katie Derrohn, Trustee, Sondra Festerling, Clerk, and Kim Shomin, Treasurer. Guests: Julie Peurasaari, Art Drayton, & Bob Wurst.

Consent Agenda: Item #12 Planning & Zoning Report was removed from the Consent Agenda and Items #3 Regular Meeting Minutes 1/3/19 and Special Meeting 1/14/19, #5 Budget Adjustments: **General Fund:** #423 Taxes Other: +200.00 to \$2,947.00, #574 Tax Revenue Sharing: +8,000.00 to \$193,287.00, & #580 Village Reimbursement: +\$500.00 to \$9,185.00 to General Fund-fund balance, #101-955 TWP - Misc: +400.00 to \$13,500.00, #101-975 Bld. & Land Improvement: to \$160,000.00, #101-201 Auditor: +\$800.00 to \$10,800.00, #215-900 Printing & Publishing: +\$500.00 to \$2,500.00, #253-727 Office Supplies: +\$700.00 to \$10,200, #900-971 Land Purchase: +\$20,000.00 to \$40,000.00 and #6560 Payroll Expenses: +\$1,500.00 to \$8,806.00 from General Fund-fund balance. **Sewer Fund:** #808 Capital Improvement: +\$6,047.17 from Sewer Fund-fund balance. **Cemetery Fund:** #644 Lot Sales: +\$200.00 to \$1,780.00 to Cemetery Fund-fund balance **Oden Light:** #448-664 Interest: +\$5.00 to \$28.00 to Oden Light-fund balance. #448-921 Lights in Oden: +\$1,000.00 to \$11,235.00 from Oden Light-fund balance #6 Approval of Bills: \$139,369.33, Item #9 Blight Report: None #10 Management Authority Report: None, #13 Sewer Authority Report: In Packet, #14 Library Board Report: Will Forward, and #17 Miscellaneous-Correspondence: Letter of Support-Demolition Grant were all entered into the Consent Agenda and declared Adopted.

Treasurers Financial Report: K. Shomin reported: General Fund Checking \$206,979.03, Sewer Fund Checking \$157,874.28, Fire Fund \$59,519.54, Tax Account \$105,073.29, Cemetery Savings \$9,621.36, and Oden Light Savings \$5,903.57. Kim reported that an error was fixed with an IRS reporting she made. A credit was created when the withholding for the redemption of the pension plan was reported & paid online as a 941 payment instead of the 945 payment. The IRS agent she talked to on 1/25/19 fixed the payments.

Public Comment: Art Drayton stated that he again heard the Emmet County is planning on cutting the budget for the Jaws of Life money that is received by our fire department and the other departments that have the Jaws. Art wanted to have questions asked to our County Commissioner Mr. Shorter about the Jaws of Life funding. We may even need to make a presence at the Emmet County meeting to protest any decrease of funding. D. Henning will call Bill Shorter to ask him about this and to also find out if it is going to be an agenda item so the county meeting could be well attended.

Fire Board Report: The minutes and financials were received. Cost Estimates were received for truck 4136. The estimate from Tri Rivers Collision included a "Limited Lifetime Guarantee" on bodywork and paint excluding rust for as long as the truck is owned by us. The 2nd quote from Michael's Collision & Restoration did not include a warranty so they will be contacted and asked about a warranty since both estimates were close in cost. Bob Wurst would also like to ask for a contingency clause for the repairs to 4136 so if there is something unexpected is found that needs fixing there would be the contingency to fall back on. He would also like to know before the truck was to go in how long the work will take so the department can make accommodations for alternate vehicle (Tahoe) usage while the

repairs are being made. Art informed us that the Chiefs office is leaking again. The heat tape is on and working, but very heavy ice is still forming and causing problems. The heat tape is only in the valleys currently. We may have to consider placing additional tape along the edges of the roof to prevent the build-up. Bob Wurst asked if the Fire Board needed to come back to the township for approval to get truck 4136 fixed. After a brief discussion on what they have budgeted and also the by-laws for the department stating they needed approval from the township for an amount over \$2,500.00, D. Morford made a **Motion** to authorize the Fire Board to spend up to \$10,000.00 for the bodywork repairs on truck 4136. Second by K. Shomin, Carried 5 Yes, 0 No.

Assessors Report: None – Jim Lapeer was unable to attend.

Planning & Zoning: K. Derrohn reported that at the most recent meeting for the committee they talked about moving all of the variance cases to the Emmet County ZBA. The committee members present would like to keep these cases because they are a majority of the cases that come before us. With our committee members being local it is felt that they have a better handle on these cases compared to someone that is on the county ZBA. After the Township Planning meeting K. Derrohn talked with Tammy Doernenburg about this and it may be something that should be re-addressed in the spring. Tammy is going to provide the guidelines that the ZBA goes by so the committee can go through them and can start voting on cases in the same manor as the County ZBA based on the ordinances in place not on feelings. If the committee doesn't feel like they can follow the ZBA guidelines/ordinance then the cases should go to the county. A mixed message is given if our committee doesn't follow the ordinance/guidelines that are in place but when it gets to the county they do. The county is the final decision maker on these cases and their rulings are based on what would stand up in court. In talking with Tammy, K. Derrohn said they will begin looking into the setbacks in Ponshevaing. The County will be reviewing their master plan so it will be a good time to take a look at this area since it is one of the biggest locations for variance requests and zoning issues. K. Shomin stated that she wouldn't agree to sending the cases directly to the county. It was then stated by D. Henning that if we are planning on keeping the ZBA cases here then the Township Board may have to start visiting each of the properties so we can understand how the ordinance applies to each of the properties before the property owner comes before us.

Panguin and Pingree St in Oden: After receiving the letter back from Emmet Co. Road Commission and it being realized there is multiple encroachments in the plated right-of-way that is dedicated to the public, we need to decide how to present this information over to the property owners that signed the petition to pave those streets. Now that the Road Commission has identified that there is actual garages, sheds, and houses built in the public right-of-way it will need to be dealt with. ECRC would normally require the encroachments to be removed since the right-of-way belongs to the public, however in this case it would be recommended that the residents of the plat petition the ECRC to abandon both roads. By abandoning the roads ECRC would not pursue removal of the garages, sheds, and houses built in the public right-of-way. If any of the property owners' objects to the abandonment then by state law the road can not be abandoned and then ECRC would be forced to start legal action to get the property owners to either abandon or to move/re-move all encroachments. After further discussion, it was thought it might be a good idea to set up a meeting with Mr. Lancaster, Damien Henning, and Brian Gutowski from ECRC to go over this before letters were to go out to all the property owners. D. Morford suggested that it might be beneficial to get the most updated survey of that area. D. Henning will be sending a copy of the letter to Mr. Lancaster to make him aware of the findings and that way a meeting could be set up if requested once the neighbors return from the winter.

Unfinished Business:

Admirals Point: We are now at the point where we would need to sign the notice of award to begin the development or not. On the drawing for Gosling Czubak from 11/30/18, the salmon colored area is where our grants will be applied towards. The three other areas are located over in the condo area and would be considered an add on cost above the original base project that the notice of award covers. The cost of this project is higher than we initially thought it would be due to it taking longer to get to the construction phase and the cost of materials increasing. D. Henning stated that in talking with Kurt Hoffman it was said that the condo owner's association doesn't have any money to put forward for the cost of dredging that area which is around \$33,000.00. D. Henning also stated that he has been in contact with Citizens National Bank who we have our current Installment Purchase Agreement for the Firehall with. The Installment Purchase Agreement would only go out for 15 years and is subject to 1.25% of our taxable value that could be borrowed. Currently our taxable value is at \$122,165,183.00 which means the most we could borrow at any given time would be \$1,527,064.79. Out of that amount we need to deduct the balance still owing on the firehall of \$150,000.00 bringing the amount we could borrow for Admirals Point to \$1,377,064.79. The contract with Elmer's of \$1,464,505.67. Based on the dollar amount we would need, the annual amount in payments would be around \$122,000.00 per year. We were approved by the bank for \$1,350,000.00 which would leave \$114,505.67 that we would need to fund from fund balance. Being that we have been approved at Citizens National already, it would still be better if we could take the loan out for a longer term. D. Henning stated that he had contacted Bendzinski & Associates to find out more on bonding process. If we were to get bonded for a lower payment and longer terms, Citizens National would like the opportunity to purchase the bond. With our Qualifying Statement done (by the auditors), it will be asked if Bendzinski & Associates can go out and look at it online to make sure there is everything there that they would need to be bonded for this project. D. Morford stated he thought the township would be able to award the Installment Purchase Agreement by quality-based selection for financial instruments as well as contract documents but we would want to verify this with our township attorney just to make sure. What the township may want to consider is to do an Installment Purchase Agreement for the amount we are approved for as upfront money, but in the meantime also start the process for being bonded which can take up to 6 months to be finalized. By doing it this way it will keep the progress moving forward at Admirals Point, and we can work towards the longer terms and possibly more funds to cover more of the project that would include some of the alternate options. We would not be upgrading the condo association docks due to the cost and that cost doesn't benefit the township as a whole. Once the Bond is issued, we would then pay off the Installment Purchase Agreement and only have the Bond payments to make for the longer term. D Morford stated we may want to take a look again at the Condo Association's documents and how they are established.

D. Morford made the **Motion** to have D. Henning, Township Supervisor, sign the Notice of Award to Elmer's Crane and Dozer, Inc. for \$1,464,505.67. Second by K. Derrohn, Carried 5 Yes, 0 No.

D. Morford made the **Motion** that after consulting with the Township Attorney as to statutes concerning an Installment Purchase Agreement that D. Henning, Supervisor, would be authorized to either issue an RFP for a loan if required or to move forward with signing an agreement with Citizens National Bank based on quality-based selection. Second by K. Shomin, Carried 5 Yes, 0 No.

D. Morford made a **Motion** that D. Henning, Supervisor, be authorized to begin negotiations with Bendzinski & Associates to procure bonding for the Admirals Point Project in an amount not to exceed \$3,000,000.00. Second K. Shomin, Carried 5 Yes, 0 No.

New Business:

Emmet Co. Road Commission Estimates: We have received three estimates for possible road improvements that were asked for by the community. The first estimate is for Oden Island Road from the bridge then north for .12 miles that would be a 2" asphalt overlay in the amount of \$26,000.00 for option

1 and \$20,500.00 for option 2. The options are the difference of having the work contracted outside of ECRC or having ECRC do the work. The second was for N. Milton Rd. from Maple River Twp. to Valley Rd for 1.03 Miles that would be asphalt wedge and gravel shoulders in the amount of \$66,000.00, and the third was for S. Milton Rd from Powers Rd. going south for .98 miles that would be asphalt wedge and gravel shoulders in the amount of \$71,000.00. After discussion about the townships roads and what the township has been saving for and needs to be done over the next few years, it was said that if we were to do either or both of the Milton Rd. projects it would put the Crump Rd. project out another year but our saved allocation wouldn't be extended to accommodate. It was stated it would be easier to accommodate doing the Oden Island Rd. and stay on track to doing Crump. Rd. D. Morford made the **Motion** to approve and move forward with option 2 on Oden Island Road. Second K. Derrohn, Carried 5 yes, 0 No.

Recreational Marijuana Ordinance: D. Henning reported that he was talking to Denny Keiser from Bear Creek and it was his understanding that if someone comes up and request for a permit for recreational marijuana it is not treated the same way as medical marijuana currently is. With medical marijuana if the township doesn't do anything no one can come in, but recreational marijuana could come into the township by doing nothing. In discussing the topic of recreational marijuana, the township would like to have our township attorney, Joel Wurster, look over the MTA model ordinance of opting out of recreational marijuana. D. Morford would like to find out if Emmet County Planning and Zoning will be creating some guidelines as to where this could be located if it was to be approved by a jurisdiction. Since our township is under county planning and zoning, we would need to know where they stand on these issues and what if any guidelines, they plan on putting into place. K. Derrohn will ask the county planning and zoning and D. Henning will contact Joel Wurster.

Poverty Resolution: Resolution 1 of 2019 To Adopt Poverty Exemption Income Guidelines and Asset Test was presented, and included the Federal Poverty Guidelines for 2019 Assessments. Supported by Sondra Festerling. Roll call Vote was given with Yes Votes from Dean Morford, Katie Derrohn, Kim Shomin, Damien Henning, and Sondra Festerling. No- against votes, and No Absent. **Resolution was then Declared Adopted.**

Clerks Agenda: The Township needs to set the date for our annual budget meeting. After a brief discussion, S. Festerling made the **Motion** to hold the annual public hearing and budget meeting on March 26, 2019 5:30PM at the Township Hall and that **the property tax millage rate proposed to be levied to support the proposed budget will be subject of this hearing.** The Township Board will also be **discussing the township salaries** for the 2019 – 2020 budget year and any other business to come before the board. Second by D. Morford, Carried 5 Yes, 0 No.

S. Festerling reported that she will be on vacation from March 8th to March 18th, 2019.

No other comments or information was brought before the Township Board.

Regular Meeting was adjourned @ 10:15PM by D. Henning