

REGULAR LITTLEFIELD TOWNSHIP BOARD MEETING

December 4, 2018 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, Kim Morgan, Art Drayton, Kurt Hoffman, Jim LaPeer, Wayne Blomberg, Paul Mooradian, Klaus Heinert, and Kevin Krogulecki.

Consent Agenda: Item #11 Assessor's report was removed from the Consent Agenda and Items #3 Regular Meeting Minutes 11/8/18 and Special Meeting Minutes 11/28/18, #5 Budget Adjustments: **General Fund:** #655 Cemetery service fee: +1750.00 to \$4,000.00, #101-703 Blight Enforcement: +975.00 to \$1,950.00, #101-975 Bld & Land Improvement: +\$50,000.00 to \$144,000.00, #215-727 Clerks Office Supplies: +\$500.00 to \$2,800.00, #215-900 Printing & Publishing: +700.00 to \$2,000.00, and New Line Item #276-776 Cemetery Coord. Service Fee: +500.00 to \$500.00 from General Fund-fund balance. #6 Amended Approval of Bills: \$50,779.91, #9 Blight Enforcement Report: None, #10 Management Authority Report: In Packet, #14 Library Board Report: Will Forward, and #17 Miscellaneous-Correspondence: Dept. of Treasury-AMAR Response, ECRC-Abandonment of Pine St. & Birch St., Joel Wurster- Rate Increase, LAMA Joint Meeting-Village & Township for 12-17-18 @ 5:30PM were all entered into the Consent Agenda and declared Adopted.

Treasurers Financial Report: K. Shomin reported: General Fund Checking \$41,428.72, Sewer Fund Checking \$127,392.90, Fire Fund \$6,332.14, Tax Account \$7,592.22, Cemetery Savings \$9,470.57, and Oden Light Savings \$947.57. Kim reported that the Tax Bills are out and also the cost of postage will be going up as of the first of the year. Extra postage was purchased in the form of Envelopes to cut back the costs for this next year.

Public Comment: Julie Peurasaari said that there was a mis-communication on how she is being paid for attending board meetings to do the semi-annual newsletter. She was paid the agreed upon \$750.00 for the winter newsletter and was also paid per meeting a few different times. S. Festerling stated that the Treasurer presents her Deputy hours to be paid and the check is drafted per the treasurer's request. Going forward K. Shomin will not include the meeting hours in her Deputy Treasurers invoice unless she is filling in for K. Shomin.

Fire Board Report: The minutes and financials were received. The Fire Board is working on Budget adjustments to account for the new Budget year end 3/31/19. Art also asked about the Township using the Fire Hall for their annual January Local MTA Meeting with the Emmet County Road Commission. The date for that meeting is January 16, 2019.

Unfinished Business:

Admirals Point-Bid Results: Klaus and Kevin from Gosling Czubak attended to go over the bid tabulation results (report dtd 11-30-18). Two actual compliant bids came in before the deadline, and a third one was received after the deadline but it was non-compliant. The two bids that were accepted in was from Elmer's and Morris Wallace Construction, Inc. Elmer's was the lowest bidder with a bid coming in at \$1,553,900.00 for just the Site and Marina Package. Both contractors also submitted costs for the three alternate bid packages. In the cost of the \$1.5M cost we would be getting everything that the grant obligates us to build for the money we are to receive. If the Township were to do the base project and all three of the alternate selection scenarios, the total cost to the Township would be \$2,458,705.00. The grant funds have already been deducted from that figure so the Township would need to figure out what we are wanting to fund out of the alternate plans and begin to proceed with obtaining an RFP on financing packages. The DNR usually like to see 3 bids but this was advertised heavily so Gosling Czubak will have to justify to them that there were only the two qualified bidders. There were additional contractors that they thought would have bid but didn't. The reasons for this may be the time this project will take will run over projects they may already have scheduled etc. Klaus also talked about the increase of costs we have seen over the past two years from when we first started this. One of those cost increases involves

steel costs which could only increase if we decide to postpone any of the alternate scenarios. Klaus said what Gosling Czubak would recommend is that the township recommend having at least the base contract awarded to the State. This is a process that Gosling Czubak helps us with that is called a Notice of Contractor Selection that requires Township Board approval and the Grant Agency's approvals. While waiting for the grant agency approvals they can pre-notify the bid contractor that may be awarded things are looking favorable for them, which will help them to start anticipating the work that is coming this next year. D. Henning mentioned with knowing the costs we will be able to move forward with obtaining RFP for financing that will let us know the amount, length of term, and the interest rate for the length of term. The Township will also have to decide what our up front down payment will be on the total project. The bid tabulation and the alternates account for as much as what can be foreseen being needed to have a "turn key" development except for what might be needed for Admiral's Pointe Rd. Admiral's Pointe Rd. is already in poor shape. It will be highly used for all the construction equipment and workers working on the project which won't help the structure of the road. The township has talked about that road and that it will need to be updated after construction is completed in 2019. What the township will need to look into is what the options are for the entrance road and what the costs could be. It would not make sense to do much until construction is done because it would be like throwing away money, but there may be a few things that can make it more tolerable for the residents in the meantime. Gosling Czubak will look into the options that can be done on the road and what costs would be so the township can budget for that as well. D. Morford made the **Motion** that the Township instruct Gosling Czubak to submit the Notice of Contractor Selection to the DNR for the Grant. Second by S. Festerling, Carried 5 Yes, 0 No. Klaus stated that when the Township has approved and approval has come from the DNR, Gosling Czubak will send out the notice of award to the contractor which will trigger them to pull bonds and insurance. Once that has been done the next steps will be to assemble the contracts, schedule a pre-construction meeting, start looking at shop drawings, and then the process starts for construction.

Assessors Report: Jim Lapeer reported that he has a preliminary residential ratios in. Currently it is looking like the residential will be at 46.63%. In a perfect world it would come out to 50% of true cash value so with being under that, the assessments have to go up. Jim is figuring that there could be around 19M in adjustments for the residential class this year to bring thing closer to where they need to be. The CPI has come in at 2.4%. there were 112 building permits this year with another 35 already in progress from the year before. This year has proved to be a technology learning curve since the computer being used had to be updated from Vista to Windows10. The State came up with a new cost manual but with this new manual it doesn't easily transfer into BS&A so additional work is needed for that along with an updated BS&A program. The APEX software that is used has also been updated from version 5 to 6, and version 6 is more complex. In the old version the drawing that is put in to the system was easy to do but the new 6 version changed the keystrokes needed to place the drawings into the software. The next few months will be used to close in the learning curve on all the updates that happened this last year. Jim also reported that he looked into the house that is up for auction on Luce St. and basically it is in good shape other than a bit of "deferred maintenance" that could be done on the home but the structure has a new metal roof and seems sound. The only other thing that was noticed is the flowing well that continues to flow on the back property of the house that just has a garbage bucket over it. It is not known where that water goes from there. Jim's field work is almost complete with only a handful of things to wrap up. Board of Review is Scheduled for this next Tuesday at Noon.

Planning & Zoning:

Case #PSPR 18-013: A request by Wayne Blomberg for a site plan amendment for 7433 Keystone Park Dr. requesting outdoor storage. The property is zoned I-1 (Light Industrial). K. Derrohn presented the case to the Township Board and reminded the board that last fall Wayne came into the Township on this and he agreed to get the property surveyed. With the survey complete he is now requesting the site plan amendment. The property has two accessory buildings and he is requesting outdoor storage behind and in between the two existing buildings. His plan is also set up for short term parking for up to 10 spaces (5 in front of each building), but this will not be something he expects to be using often since storage is going to be at its peak during the late fall and winter months for boat/marine storage. He meets the standards and setbacks for this request. A letter is needed from the

Fire Department approving the plan in case of needing emergency services to the property. Wayne will also have a Knox Box installed to assist the Fire Department during an emergency. The property doesn't need additional screening since there is no storage in the front of the buildings. Wayne stated that this storage plan is what he has been doing for a number of years and was unaware that it wasn't an allowed use when they purchased the property. Art Drayton has already approved for the Fire Department, and will be drafting a letter to place on file. The property doesn't have power and it is not needed due to being used primarily for winter storage that doesn't require high volume access. D. Morford asked if there were any recommendations from P & Z Committee. K. Derrohn reported that there wasn't a meeting so no recommendations. Paul Mooradian was given the opportunity to add additional comments about this case. He showed the Board the original drawings that was approved for the site back in the late 80's before the property became Keystone Park. The drawings showed a center driveway with parking and setbacks for the three buildings that was proposed. When the property was developed only two buildings were built. Where the third building would have been is now being used for outdoor storage, and the reason behind needing a site plan amendment. Paul stated he is an advocate for outdoor storage and that is not an issue. His concern is that the property never built a proper driveway as it was approved in the original planning and zoning. The new sight plan drawings show a circular grass drive with two aprons and a small section of one of those aprons being gravel as it comes off of the main road in the industrial park. Paul stated that the two aprons would be acceptable but they should be two proper aprons. The original site plan that was approved did not have the circular grass drive or the two aprons to the park's main road. Paul's concern is that it should be acknowledged in the new site plan request amending the differences to the driveway from what was originally approved but never built and the consequences of what it could mean for public safety in an emergency. In Paul's opinion, if the Township approves this case based off of the updated site plan drawing from Granger & Associates, Wayne's request becomes more than just adding outdoor storage as stated in the application. He feels it would also be including everything represented in the updated site plan drawing like the drive. D. Henning asked Art Drayton if the Fire Department can get the tankers onto the property's grass driveway without getting them stuck. Art said he should be able to in the summer with the fire truck not in the winter since it is not plowed. He would not be driving on the circular drive around back no matter the season and the tanker would always stay up on the main road with the water being pumped in. D. Morford made a **Motion** to forward a recommendation on case #PSPR18-013 to Emmet County Planning & Zoning that approves the concept of the change in the site plan, asks that the County look at the ingress & egress, and a Knox Box is installed. Second by K. Derrohn, Carried 5 Yes, 0 No.

Sewer Authority Report: The HSASDA Minutes were received from the November 8, 2018 meeting. D. Morford reported that the Sewer Authority has completed a manhole raising project for 2018 and Littlefield Township had 28 manholes raised. D. Morford said that there seemed to be a mis-communication on whether the townships would pay for this with their Repair/Replacement Funds held with the Sewer Authority or if they will pay out of their own funds. D. Henning told Scott at the Authority to hold off on billing until after this month's township meeting so it could be talked about. D. Henning said it makes more sense to pay the invoice out of our Sewer Fund since we have pulled in enough tap in fees to cover this cost instead of using our R&R funds. The invoiced cost for this to be done came in at \$6,047.16 and will need approval to be paid. D. Morford made the **Motion** to approve paying the invoice for raising the manhole covers within Littlefield Township and to pay it out of the Sewer Fund. Second by K. Shomin, Carried 5 Yes, 0 No.

A sewer application was received from David Veen for property he owns at 8860 Moore Ave., Oden. The property used to have a travel trailer on it along with the existing garage. The travel trailer has recently been replaced with a park model that will require sewer. It most likely is going to be used as a rental. Mr. Veen sent a check with his application for the \$2,700.00 tap in fee, but the check has not been cashed due to the location of this property and its proximity to the main sewer line. Based on our sewer ordinance, property within 200 feet of the sewer line has to hook up to the sewer. A drawing, found in our sewer records, was provided for the Township to use as reference that appears to be drawn by the previous authority manager back in June of 1994. HSASDA's main sewer line is located on US-31 and the drawing shows a private tap in line that was put in to service property at 8851 Moore Ave. That property is on the other side of the road from Mr. Veen's property and

has its own grinder pump set in an old septic tank next to the house. It was questioned on why Mr. Veen couldn't tap into the neighbors' line that connects to the main. It was explained that by tapping into a private line; the line would no longer be private and would become the legal responsibility of the Township and Sewer Authority to maintain. Legally it would not be smart to get into such a transaction. One of the reasons is the sewer authority doesn't own any easements to run a line across other property owner's property to get to the applicants' property. Currently it appears that Mr. Veen's option would have him place his own line (with proper easements if not in the road right of way) down to the main sewer line at the corner US-31 and Moore Ave. The cost to do that is not something that is covered in the tap-in-fee. He will incur the cost for the materials, grinder pump, hook up cost, and inspection fees to meet HSASDA standards. Mr. Veen's property would not get the clearance for a septic system since it is within the 200 feet of the sewer main. D. Henning said he would contact Scott at the Authority to review this case and to let the township know what they would require to be done to hook into the sewer. D. Morford made the **Motion** to table Mr. Veen's sewer tap application until a recommendation can be received from the Harbor Springs Sewer Authority. Second by K. Derrohn, Carried 5 Yes, 0 No.

D. Morford mentioned that the Authority has assessed that there is flowing well discharge entering into the sewer there by the Oden Gazebo Well. It was believed that the discharge from our well was going into the storm drain. K. Derrohn said that was what she also understood to be happening and that Fairbairn's who has helped with the flowing well fountain also said that is where it was going. After talking about the flowing well located at the house that is up for auction next to the park earlier tonight. It could be possible the water may not be coming from the Gazebo Park flowing well but from the house property. This is something that will need to be looked into.

Unfinished Business:

Powers Road Update: A resolution authorizing the sale of the Township owned Powers Rd property was provided for review and was requested by the title company assisting in the sale. Township Attorney, Joel Wurster, prepared Resolution #7 of 2018 – Resolution Authorizing Sale of Powers Road Property. After review of the resolution, **Damien Henning offered Resolution #7 of 2018 – Resolution Authorizing Sale of Powers Road Property** to the township board for approval and it was supported by Dean Morford. A roll call vote was given with Dean Morford, Katie Derrohn, Damien Henning, Kim Shomin, and Sondra Festerling all saying yes with no- no votes. **Damien Henning then declared the motion passed and the resolution adopted, and Sondra Festerling certified the resolution.** The closing of this property will be held on December 20th.

Oden House-Luce St.: After the Special Meeting held on November 28th, D. Henning placed bids on the house through Auction.com up to \$45,000 with a \$2,500.00 premium which put our amount at 47,500.00. He was unable to bid again because at the special meeting he was only approved to bid up to \$50,000.00 and the next required bid increment would have put it over. It was found out later that the auction did not succeed by meeting the sellers reserve even with the last bid placed before close was \$65,000.00. The auction has started over. D. Henning and K. Derrohn talked about this property and how the auction worked after the close of the first attempt. In an effort to bring the Township Board updated information regarding this property and auction. K. Derrohn talked to the broker and the broker said it would be advisable to talk to the salesperson who D. Henning talked to. The salesperson said there is nothing wrong with doing an offer directly to them and that it would have to go through a realtor anyway. D. Henning asked the Board what we would like to do in regards to this property. He found out that the original asking price for the property when it was first listed through Coldwell Bankers at \$75,000.00, but he also found out that the property was last acquired through a sheriff sale for \$59,000.00. After further discussion, D. Henning made the **Motion** authorizing D. Henning and K. Derrohn to negotiate on the Townships behalf in the amount up to \$75,500.00 plus closing costs for the property/house located at 8875 Luce St., Oden, MI. Second by K. Derrohn. Carried 5 Yes 0 No.

New Business: D. Henning said after notifying the Township Board of Dan Plascencia's resignation the board did not make a motion to accept the resignation which is needed to remove Dan's name from the LAMA bank accounts at the bank. D. Henning made the **Motion** to accept Dan Plascencia's resignation from the LAMA

Board and have his name removed from all LAMA accounts held at M-Bank. Second by S. Festerling, Carried 5 Yes, 0 No. D. Henning did state his name has already been on the accounts representing the Township.

Clerks Agenda: The January board meeting happens to fall on New Years Day this year if we follow our meeting dates being the first Tuesday of the month. After brief discussion, S. Festerling made the **Motion** to change the Regular January 2019 board meeting to Thursday January 3rd, 2019 since it would have been on a holiday. Second by D. Henning, Carried 4 Yes, 1 No.

S. Festerling made a **Motion** to purchase a Visa or MasterCard gift card for Township Employee, Brian Johnson, with the cost up to \$110.00. Second by D. Henning, Carried 5 Yes, 0 No.

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

Regular Meeting was adjourned @ 10:05PM by D. Henning