

Saugatuck Township Board Meeting
Wednesday November 6, 2019, 6pm
Saugatuck Township Hall, 3461 Blue Star Highway, Saugatuck, MI 49453
Approved Minutes

Supervisor Osman called the meeting to order at 6pm.

All board members present

Public Comment

Bill Hess- City of Saugatuck: Spoke on the Blue Star Trail Joint Resolution. Reported that the resolution was a collaborative effort between the 2 city managers and the township manager. Believes it is the first step in further collaboration. Believes that the only way the Blue Star Trail will become a reality is if the 3 communities work together to make it happen.

Barry Johnson – City of Saugatuck – agrees with Bill that the Blue Star Trail Joint Resolution was a collaborative effort between the 3 communities. Reviewed the salient points of the resolution: That the trail be fully funded (engineering, construction and maintenance), that the traffic lanes must not be reduced and that a grant would not be pursued without the written consent of the 3 communities. Biggest concern is the bridge. Discussed an emergency incident that occurred in July on the bridge where traffic was heavy and passage for the emergency vehicles was difficult. Does not support further reducing the lanes.

Jim Searing – Chair of the Township Parks Commission – his letter is in the packet. Was recently in a heavy traffic situation where emergency vehicles needed passage. People worked together to allow space for the responders. Does not believe that the emergency vehicles could not navigate the bridge; people cooperate in those situations. The ~~BST people~~ **Blue Star Trail folks** have worked so hard and have bent over backwards to make this happen. We have 1.7 miles of trail complete we have maintained it for 12 years. Is not in support of the resolution

Dana Burd – The township has maintained parks since the 60's. We have had to match funds and volunteers have played a key part in making parks a reality. Recently the BST people have partnered with them. We have been managing and improving our parks for decades. Does not support the resolution as written.

Cynthia McKean- city of Saugatuck – Does not support the BST Joint Resolution. Believes that this resolution was passed by Saugatuck City to block trail completion. The requirements are ridiculous and if the resolution is approved, trail completion will be nearly impossible. There is good news: the 2 new Saugatuck City council members are in full support of the trail. The township has demonstrated continued commitment. The Friends of the BST have worked tirelessly for years. They need to be part of the collaboration.

Dan Keller – Lakeshore Drive – is representing the Lake Michigan Shore Association, a group of about 170 property owners south of the 1986 washout. There is a real danger of another washout on Lakeshore Drive. Discussed erosion, sinkholes - there are multiple danger points on the lakeshore. Thanked Allegan County for their quick response to the current situation. Thanked manager Graham for calling a meeting of LMSA, Allegan Co reps, Fire Dept, Twp reps and City Managers from Saugatuck and Douglas as well as a few other interested parties. Thanked the fire department for coming out and

developing a contingency plan. Is asking that the Twp appoint 2 reps to lead the effort. We need a near term viable option for access if the road becomes impassible. We also need a long-term solution. Believes the committee that is already in place for the emergency access should also tackle the long-term solutions. Thinks manager Graham should call a property owner meeting regarding temporary access options and long-term options.

John Adams – president of the Friends of the Blue Star Trail – Fully agree with the stated goals of the BST resolution regarding collaboration. The Friends were not included in this and they are a key partner. The resolution puts unreasonable/unachievable demands on the Friends of the BST. The Friends of the BST will withdraw their financial support if this resolution is passed by the 3 communities. Wants the township to table the resolution and work with the Friends on a more acceptable agreement. The Twp and the Friends have been good partners in the past and have accomplished much and wants to see this continue. The trail will be a gift to the Twp and the Twp will own and maintain the trail. The Twp pays on average \$3400 per year to maintain its 1.7 miles of trail. The trail would be a great value to the Twp. The 2016 resident survey showed that non-motorized trails were the top priority. We have a 200K pledge that we can utilize by the end of this year. Wants the Twp to table the resolution and work with the 2 other communities and the Friends to accomplish completion of the BST.

Dick Waskin – In support of the BST. The current resolution before you is not a solution, it is a hinderance to the completion of the trail. The conditions of the resolution are essentially the conditions used by Saugatuck City to stonewall the trail moving forward. Finds it puzzling that Saugatuck City states that they support the trail but has not formed any committees or made any action to support this. There are new members of the Saugatuck City Council that are in support of the trail and suggests that the Twp work with them to move forward with connecting the trail.

Fran Vanhowe ~~Van Howe~~ – thanked Twp for the progressiveness in constructing the completed trail. Also thanked the Parks Commission for its support. Is a longtime supporter of the BST. Knows it can be done here. There are so many communities already utilizing trails. Agrees with John Adams and suggests tabling the resolution

Approval of Agenda

Marcy – moved to approve the agenda as presented. Supported by Aldrich. Discussion: none. Approved 5-0.

Invoices

Bigford – Moved to approve all bills and payroll in the amount of \$87,695.89 as presented. Supported by Helmrich. Discussion: None. Approved 5-0.

Treasurer's Report

General fund bank balance = \$2.4M – holding steady; we have received 15K of the 20K owed for Medical Marijuana admin fees. This is an annual fee.

CD value = \$751K – up \$2K from October

Needed – Board approval of bi-monthly tax revenue disbursements; YTD payments = \$6.1M.

Aldrich – moved to approve the 6.1M tax disbursements for Saugatuck Township. Supported by Bigford. Discussion: none. Approved 5-0

YTD 2020 – (budget v. actual through 10/31/19) = \$65K negative variance between revenue and expenses. No overages at dept. level. No cause for alarm. That number will change in a month.

Delinquent/2nd notice tax bills - did it last month for the first time and brought in over 100K in two weeks by reminding people.

Last week attended the Allegan Co Economic Development Conference. Saugatuck Twp has not attended in the past. It was worthwhile, and economic development is important. He and Manager Graham were both in attendance.

Winter Tax bills – Will be going out on December 1st

The Twp successfully completed their audit

Minutes

Aldrich pointed out a misspelling of a name on page 3 Norman – should be Norma. Helmrich pointed out an error on the bottom line of page 3. Should read process is not in.

Bigford moved to accept minutes as amended from October 2, 2019 regular meeting. Supported by Aldrich. Discussion: None. Approved 5-0

Correspondence

Osman- this month we received a number of correspondences. John Seros and Don Schipper regarding the ordinance that requires trunkage fees and connection fees. There was a letter from Jim Searing. There were 2 letters about Dugout Road. We did receive a letter from Fire Chief Janik regarding emergency access at the washout site.

Helmrich- commented on the connection fees. Believes we need to look into the current ~~day~~ appropriateness of our REUs and connection fees.

Helmrich – moved to request that staff investigate the issue of greenhouses and medical marijuana growth facilities to determine if they are being charged comparable REUs/Connection fees to other townships in MI and make a recommendation to alter or not alter our said fees. Supported by Aldrich. Discussion: None. Approved 5-0.

Blue Star Trail Joint Resolution

Marcy – the word collaboration has been used often in the public comments. This group of trustees has committed to repairing relationships and collaboration. The resolution did not include Twp board, Fire Dept, or Friends input. The timing was just days before the election which excludes the new council members. Believes the new leaders need to be included. Does not support the resolution. Questioned a MOU from last March. There is no evidence of research on actual maintenance costs moving forward. We need to step away and gather more information. We need to collaborate moving forward with the Friends, Council members, the fire Dept, and some citizens. Wants to table the resolution. Does wholeheartedly support the bike trail.

Helmrich – Thanked manager Graham for all his work on all things trail related. There were 14 previous resolutions ~~made related to the trail~~ **relative to the Blue Star Bike Trail**. There is much history here that needs to be investigated. Finds the timing of the resolution awkward as it was so close to the election and there are ~~new officials~~ **changes in the two cities councils**. Our board had less than 2 weeks to review this resolution. Has supported the trail from the beginning, but has ~~significant~~ intense fiscal ~~responsibility~~ **responsibilities to fulfill**. Thinks we should table/reject the resolution and move forward with a truly collaborative group.

Bigford – does support real collaboration with all interested parties. Believes we have not spent enough time an energy exploring real maintenance costs. Did do some preliminary research on maintenance costs and uncovered that estimated costs vary greatly. Did meet with reps from the friends on October 1, 2018. At that meeting the friends estimated costs per mile to be approx. \$2500 per year, but could be up to 10K per year. That difference is huge. We need to be fiscally responsible. Does not believe that

our budget can support 50K a year, if that is what is really needed for maintenance. We need more time to research this.

Aldrich – loves the bike trail. Uses it almost daily. Wants to see completion/connection. We should form a committee with the council members, the parks commission, the managers, etc. Believes we should reject the resolution.

Osman – Wants to send a message of collaboration to both the Friends and to Saugatuck City. Tabling the resolution and creating a new one is attractive as she can imagine what it could look like. The elected officials are the ones voting, so they need to be a big part of the collaboration. Supports the idea of forming a committee.

Helmrich – moved to table the Blue Star Trail resolution and develop a committee of 2 of the township's trustees, representatives from Saugatuck and Douglas, and representatives from the Friends of the Blue Star Trail towards producing a new resolution that could be brought to the 3 community governments. Supervisor Osman and Trustee Marcy will be the township's representatives on this committee along with the township manager. Supported by Marcy. Discussion: None. Approved 5-0

2020 and 2021 Road Plan Review

Osman – we have a road plan that includes various repairs. We are in the 4th year of the plan. Sometimes adjustments need to be made as circumstances change. We have some recommendations on changes from the Road Commission – the subject matter experts.

Graham – Has been in contact with the Allegan Co Road Commission. It is the time of year where the Twp needs to identify what local road projects it wants to pursue moving forward. The Twp utilized the PASER rating map to develop their 5-year road plan. There are minor changes suggested by the Road Commission. The proposed road plan changes include moving some road projects back that were recommended and moving some projects up based on current circumstances. Year 2021 needs more review. Directed the trustees to the included documents related to this subject.

Aldrich – please talk about the letters from McIlwaine and Mack regarding road concerns

Graham – has received many suggestions/comments on Riverside/Dug Out Roads. There are many options to choose from regarding maintenance and improvements. The road plan does include Riverside Drive and Dug Out Road, but it does not identify what should happen there. Believes we are not yet in the position to pave/widen those roads. One suggestion from the road commission is using asphalt millings which is a step above gravel roads. Some residents have supported this idea as well. This could be an intermediate step. Or, we could take that project off the list and look into other options. Can provide more info when the work orders come back. Asphalt millings could be a step in the right direction.

Helmrich- Last year we did not spend what was budgeted in roads. We are well funded in that area. In looking at the proposed road projects, has identified that some of the roads do not seem to be in need of maintenance/improvement. We do not need to spend money just because it is budgeted. We need to consider possible expenditures related to the washout.

Graham – look at 2020 and 2021 and look at the PASER ratings. Sometimes roads are in need of maintenance even when they do not seem to be by just looking at them. Projects have to be planned 6mo to 1yr in advance. We have fund balances for emergencies. Cautioned the board regarding putting the road projects on hold.

Marcy- preventative maintenance is important. Work should be done before the roads are beyond repair and need to be replaced completely.

Graham – if the board is comfortable with staff going forward to get work orders for 2020 projects the goal would be to have work orders back in December so the projects could be bid out and planned by the road commission and commenced next construction season (summer 2020).

Osman moved to approve the 2020 road plan amendments as submitted. Supported by Marcy. Discussion: Helmrich- would like to see these projects listed in a priority order. Is not totally on board with number 1. Wants more information. Osman – we need the work orders in order to gather more information. Approved 4-1

Zoning Ordinance Amendments

Osman – Lynne Wells, our new zoning administrator went through our zoning ordinances and found some sections that were in conflict with other sections. Wells presented her suggested corrections to the zoning ordinances to the Planning Commission and they were approved unanimously. The PC is an advisory board; the township board needs to vote to make those actual changes.

Aldrich moved to approve Ordinance No. 2019-10 as presented, which is an ordinance to amend sections 40-658, B, 2; 40-658, E; 40-663, C; and 40-185, C. Supported by Helmrich. Discussion: Helmrich – these changes were all inconsistencies except the one related to site plan review. Roll Call Vote: all yes. Approved 5-0.

Premium Conversion Plan Restatement

Osman- This plan allows employees to pay for employer-sponsored benefit premiums, pre-tax.

Graham- The township currently pays 100% of employee premiums so this does not apply, but it provides a mechanism for contributions to be made to employee HSAs pretax.

Helmrich- This is not a change from what we are currently doing, correct?

Graham – This plan has been in place since 2010. It is a restatement of that. Staff cannot find any records of this going before the twp board in the past. To be safe, I recommend the board review the attached Premium Only Plan, Summary Plan Description and Certificate of Corporate Resolution. It is helpful for the board to understand this. Has reached out to Lighthouse Group, the township’s insurance advisor, and they recommend the policy be renewed. It does not increase the cost or change anything.

Bigford – Moved to approve the adoption of the Certificate of Corporate Resolution, which restates the Township’s Premium Conversion Plan effective September1, 2019, as provided by Flex Administrators. Supported by Marcy. Discussion: none. Approved 5-0.

Request to Repurchase 2 Cemetery Grave Plots

Osman - this proposal suggests following our past practices in regards to repurchasing plots.

Aldrich – Moved to approve the repurchase of two cemetery grave plots from William and Linda Peterson in the amount of \$120 per grave plot, which totals a cost of \$240. Supported by Bigford. Discussion: none. Approved 5-0.

ACH and Post Audit Policy

Graham – the township board adopted a Financial Policy Handbook on the October 2nd meeting. It was communicated at that time that there would be additional recommended policies to be added over time. Through the review of our legal counsel and our auditors, these are 2 of those policies that were recommended to be added. The goal of these policies is not to drastically change our current practices, but more to document the current baseline. The twp treasurer and the deputy clerk have both had a chance to look these policies over.

Helmrich – let me just explain how this operation works. Any ACH – automated bank transfer or anything to do with payroll taxes and benefits is initiated by the deputy clerk. Any ACH relative to tax money disbursements are ~~is~~ initiated by the treasurer. This ~~effects~~ **affects** the treasurer and the deputy clerk. There is a cross check system in place between the treasurer and the deputy clerk.

Marcy – moved to approve the adoption of the proposed ACH and Post- Audit Policies, as presented, and direct the Township Manager to add them to the Financial Policy Handbook. Supported by Helmrich. Discussion: none. Approved 5-0.

November 2019 Budget Amendments

Osman – there are 3 different budget amendment requests before us. The first is probably the most pressing.

Graham – first one is directly related to the board action taken on October 2nd in relationship to the Harbor grant resolution that was passed. We received the invoice from Allegan Co. for 5K. This was not initially budgeted, so that is why an amendment is needed. The other 2 are a little different. Staff has been monitoring them and reviewing the budget to actual statements. We are consistently running over in our health insurance line and one is in one of our salary lines.

Helmrich – thank you for catching these early. The grant is not all budgeted, but about half of it is. So, the 5K may not all be used. The HSA payments may be in the greater health benefit line. Sexton was discussed previously by the board.

Marcy – Moved to approve the requested November 2019 Budget Amendments, as presented. Supported by Aldrich. Discussion: None. Approved 5-0.

Planning Commission

Report from PC member and Township Treasurer Helmrich - PC met on October 28. Had a presentation from Ryan Kilpatrick regarding allowing communities to build homes smaller than the ordinances require. Smaller homes are popular with millennials and boomers. Presentation was on homes that were approx. 800 feet. PC may be taking steps to consider this more.

Approved a woodworking and boat restoration studio on Gleason Rd

Tabled a SAU – special use and site review for the medical marijuana and provisioning center on Blue Star and 64th Street; requested further detail and conditions to be addressed.

Passed a SAU and site review for a medical marijuana growth facility on Just Barns Dr., adjacent north of southern 196 interchange.

Approved 5 edits for clarity to Zoning Ordinances for private roads, passing lanes, and a site plan review notice – will only occur to properties adjacent, not within 300'. Only applies to allowable uses, not SAUs.

Next meeting on Monday, November 25, 2019 at 7pm. Will include public comment on Recreational Marijuana. We have currently opted out. Does Board want to request that the PC reconsider this; do we want ZA Wells to redline our current medical marijuana ordinance for consideration

Helmrich – Moved to direct staff including the manager and zoning administrator to work collaboratively with legal counsel prior to the November 25th Planning Commission meeting to present options relative to opting into recreational marijuana including presenting a redlined version of our existing medical marijuana ordinance for further study of what said action would mean. Supported by Aldrich.

Discussion: None. Approved 5-0.

Road Commission

Marcy- happy to see some of the road improvements on the list that people have been concerned about for a while. There is great concern over the Lakeshore Dr. Situation. Much work is going into short term and long-term fixes.

Aldrich – Holland has created a machine to cut grass under the guardrails. Is anyone interested in checking into this? This could solve the roundup issue.

Dana Burd – believes this machine designed to clean out sediment

Aldrich – will check into this further.

Interurban

Election of Officers stayed the same for fiscal year 2019: Chairperson Tarue Pullen, Vice Chairperson Kathy Johnson, Treasurer Lori Babinski, Secretary Marie Muha. Meeting dates stayed the same as well, the 3rd Tuesday at 5pm. We ended the fiscal year with 70,079 passengers, up 4496 passengers. First time over 70K!!! Dispatch software is in progress and parts of the process are working well most of the time. There have been some problems with the tablets and communications which they are working through. Submitted by Lori Babinski, Twp rep

Fire Board

Last month was above average with a total of 81. An increase of 3.4% from last year. October was back to normal for fire calls – 2 total. EMS counted for 35% of our calls which is below average. Friday and Saturday are the busiest days. The twp has the most calls, 301 compared to 225 and 229 in the cities. Response times remain steady with a 5:38 for 30 priority 1 and 2 calls. We have started to receive stats from AMR again, they fall between 12-13 minutes for priority 1 and 2.

Parks Commission

Searing – would like to be included on the committee for the Blue Star Trail. Spoke about trail maintenance. We could create a sinking fund. We could budget for big expenses in the future. If we look to far into the future, we get too afraid to do anything.

The construction on the sidewalk by the church will be delayed till next spring due to the weather. Would like to schedule a visit with any interested twp board members to River bluff Park. He can show us the existing trails and where trails could be built as well as where nice views could be uncovered/created. Will work to come up with a plan if the weather cooperates.

Bigford – can we include the dog park as well?

Kalamazoo Lake Water and Sewer Authority

Mike ~~McGuian~~ **McGuigan**- approved an investment policy. The copper and lead testing required by the state and by the federal government was complete September 30. The results are good. Nowhere near exceeding limits. The state will also review it. There was an excursion in Douglas in the last 8 weeks. There was a business that was pumping out foamy water out of the back of the building. Douglas and the Sherriff acted immediately and ceased the action. The DEQ came in. The substance looked like coolant to ~~McGuian~~ **McGuigan**. Spoke about lead and galvanized piping and it looks like it will be mandated. Master meter program - Darryl has an inventory of meters for at least a year. An expansion of bidding has been approved. There are companies out there that can supply meters for less money. The board approves every expenditure. Water is good.

Open Board Report

Helmrich – Would like us to consider moving meeting dates. 2nd Wednesday of the month?

Graham – this will be on the December meeting agenda. He will provide a tentative schedule then and action can be taken.

Manager Report

Graham - The township office will be closed Monday for Veterans day. The onsite aspects of the audit took place on October 21-23. Will work with the auditors to prepare a presentation based on their reports. A goal and priority setting workshop is scheduled for Saturday December 14. This will be an

open meeting to the public as well. Has been following up with AMR regarding the updated agreement. Ambulance service has not been interrupted. Has worked with legal counsel; they suggested we annually adopt a resolution addressing our special assessment districts. This will become the new practice. In the last couple of weeks on Lakeshore Dr. the rain and wind has caused significant erosion. We are keeping close tabs on 10 spots that are at an increased risk for washouts. Some proactive steps have been taken. The township called a meeting last week of key stakeholders regarding Lakeshore Dr. County wide efforts have also been initiated. The road commission is watching 10 spots daily that are at increased risk. Next steps: all of the various agencies will need to work together to find a solution. Highlighted a communication from Chief Janik (was added to the packet late). Janik has been going above and beyond to make sure all of the emergency response aspects are covered. There are no clear-cut solutions at this time, but all stakeholders are working hard to come up with immediate and long-term solutions to this issue. We are in a damage assessment and information gathering mode.

General fund revenue is divided into 5 categories -property taxes and tax administrative fees can almost be put together, and if you do that we have 3 sections that almost look like 3rds. About a third of our revenue comes from property taxes and tax admin fees, about a third comes from state revenue sharing, and about a third comes from misc permits and fees. A chunk also comes from fund balance transfers. Believes some of this is not sustainable. If we come into a recession, we would likely lose much of our permit fees and state revenue funding. We do have a healthy fund balance, but we need to pay closer attention to this. Wants this to be part of our goal/priority setting moving forward.

Public Comments:

Richard Donovan – on behalf of the Friends of the Blue Star Trail, wanted to thank the board for taking the time to get up to speed on new developments and thanked the board for taking the action they requested. Ready to be part of the collaborative effort.

Dan Keller – LMSA had suggested that we expand the scope of the committee to include an alternative road solution (the one that was formed to address emergency access on Lakeshore Dr.) – is that something you are interested in?

Graham- circumstances have changed and the scope of the meeting on November 19 will change as well.

Keller- wants the township to organize a meeting with the homeowners.

Graham – we are not ready for that. We need more direction and guidance before we include the homeowners. We need options to present to the homeowners.

Dana Burd- Lakeshore Dr. – lots of people want action quickly, but we need to figure out next steps. Asking homeowners for a little patience.

Don Schipper- is thankful that the board is considering looking into REUs and connection fees. Pointed out that they have their own water treatment plant in the facility. About 90% of the water is recycled. 80-85% of the building is not connected. We need to make this business competitive in order to avoid widespread black-market production. Asked that they would pay the connection fees, but have it placed in escrow while the possible rate reduction is being considered. Helmrich – we will get back to you on this.

Aldrich moved to adjourn the meeting. Supported by Helmrich. Approved 5-0.

Meeting Adjourned 8:31pm

Recording Secretary: Abby Bigford

Saugatuck Township Clerk

December 2, 2019

