

Saugatuck Township Board
Regular Meeting
April 8, 2020
Approved Minutes

Supervisor Osman Called the meeting to order at 6:00pm

Roll Call: All present

Zoom Instructions: Manager Graham gave Zoom instructions for public participation. All votes should be taken via roll call. Also please say your name before speaking. Mute yourself when you are not speaking. This meeting is being recorded. Please do not interrupt. If any public member is disruptive in a way that interferes with the board conducting their business, they will be blocked. Also highlighted that if there are any individuals that would like to participate, but need special accommodations, we will do our best to make those adjustments.

Approval of Agenda: Helmrich asked to have an agenda item added under new business. Item "G" discussion on short term rentals. *Bigford moved to approve the agenda as amended and to ratify the procedures for public participation and meeting conduct as described in the Notice of Public Meeting via Video Conference. Supported by Aldrich. Discussion: None. Roll Call Vote: All yes. Approved 5-0.*

Public Comments: None

Review of invoices: No comments or questions. *Aldrich moved to approve all bills and payroll in the amount of \$57,255.11. Supported by Helmrich. Discussion: None. Roll Call Vote: All Yes. Approved 5-0.*

Treasurer's Report: General Fund bank balance = \$2.7M – down \$100K from March. Budget v. Actual through March is now \$377K positive; spending is running about 19% under budget while revenue is running flat to budget for end of 3rd Q. CD Value = \$757K – up \$3K from February. YTD FY2020: (through 3/31/20): There remain no department level overages. In March, no notable expenditures to highlight. Was able to complete the Tax Year Settlement with Allegan County remotely. We are balanced. Only one day late in spite of the circumstances. Board pre-approved the final two disbursements for March 13th and 27th at March meeting; both were made and totaled less than expected – about \$125K.

Approval of Minutes:*Helmrich moved to approve the March 11, 2020 Regular Meeting minutes as presented. Supported by Marcy. Discussion: Bigford clarified that Helmrich helps proofing the minutes. Roll Call Vote: All Yes. Approved 5-0*

Aldrich moved to approve the March 17, 2020 Special Meeting minutes as presented. Supported by Helmrich. Discussion: None. Approved 5-0

Correspondence: Letter from Scott Bosgraaf regarding the Fire District's review of North Shore's lot #15. No comments or discussion on the letter.

Administrative Policy Handbook: Osman- Graham has worked really hard on this and he has made some changes since the last meeting. To me they look really satisfactory. Aldrich thanked Graham for all of his work and thinks it looks great. Marcy -agreed. *Helmrich moved to approve the adoption of the Administrative Policy Handbook as presented. Supported by Marcy. Discussion: None. Roll Call Vote: All Yes. Approved: 5-0*

Proposed FY 2020-2021 Budget: Osman- Graham has been working very hard on this. I have been involved in the process and have provided him with feedback. Tonight we will not be taking action, but only reviewing the budget and providing feedback. Graham- time line- this process started with the board establishing some goals/priorities in December. On February 12 the township board adopted the Saugatuck township 2020 goals. Staff used those goals in preparing the budget for this fiscal year. Now in April we are presenting the first draft of the FY 2020-2021 Proposed Budget. Looking for feedback and discussion; not action. Staff will look to incorporate that feedback the best they can and bring back a second draft in May. At that point the board can adopt a tentative budget or give more feedback and again incorporate those requests. Once a tentative budget is adopted, staff will do the necessary noticing and schedule a public hearing for the next meeting. Goal is to have everything ready by June. Changes to this year's budget: Traditionally the township's budget has been focused on line item detail. It's great but difficult for those unfamiliar with the budget difficult to understand. Explained how the budget is now broken down into the Introduction, the Policy and Planning, the Financial Plan Overview and the Line Item detail. There is also an Additional Information section. Graham explained governmental accounting and how funds work within a budget.

Funds can not be used for things that they are not slated for. Our budget is made up of many different funds. General fund - provides much of the statutorily required services as well as limited discretionary services. The township has 3 primary sources of revenue: property taxes, state revenue sharing and permitting fees. Note the total revenue for this year is about 60K less than in previous years. That's mostly due to less transferring from other funds. The impacts of Covid 19 will likely negatively impact the township's revenues. General Fund expenditures - notable expenses for FY 2020/2021 - it is proposed to take 50K from the general fund to continue to pay down the unfunded liabilities associated with the MERS pension program. The proposed General Fund budget is very lean this year due to this time of uncertainty. Asks the board to provide direction in cutting expenses and/or increasing revenue. Road Fund - notable expenses: 2020/2021 road projects, updating the Road Plan to prepare for millage planning, and next steps in regards to Lakeshore Drive. Cemetery Fund - notable expenses: upgrades and repairs to the cemetery shed, painting cemetery signs, millage planning, planting flowers and reviewing rules and regulations. Ambulance Fund: this one will likely need to be amended once the board considers the recommendation from the Emergency Services Committee. Sewer Debt Fund: the township currently has outstanding bonds which are used to pay for the development of the township's sewer system. It's estimated that these bonds will be retired at the end of 2022. Capital Projects Funds: preventative maintenance on the trails that are already constructed in the township not likely to exceed \$10K. Parks Project Fund: Repairs and upgrades to the River Bluff Park shelter and to the fence at the Dog Park. Water Projects Fund: continuing the water service line inventory, some legal work in regards to the Township's water agreements, a rates study asset management plan, updated utility maps. Many of these are estimates and we will have a better understanding of actual cost in May. Conclude with 4 major points. 1. This budget is based on the goals that the board adopted in February. 2. The impacts of Covid 19 to this budget are unknown at this time, though much tracking and work is being done in this area. 3. The message or summary of this budget is planning for the future. 4. There is some tension between service level expectations and the actual capacity of our organization. Would like to see board direction in regards to this. Questions? Helmrich - expressed his deep gratitude to Graham for transforming the budget into something that is transparent and understandable. What is the process and time line we need to be aware of

since the current cemetery fund millage expires at the end of this year?

Graham - we can collect the current cemetery millage through the end of 2020. Next year we would need a renewal to be able to collect millage. We will likely need to be doing some serious millage planning the middle of this year to look to get that on the ballot early next year.

Helmrich - on page 85 - the \$62K transfers from fund balance; is that the same as last year?

Graham - no it's the combination of both the transfers from fund balance and other funds. There is \$50K to pay down the MERS and \$12K for the Cemetery Sexton.

Helmrich - are you proposing additional contributions to the MERS pension plan or just maintaining the already higher level established last year?

Graham - just maintaining the already higher level.

Helmrich - do we need to budget more for the next fiscal year for the replacement of the server?

Graham - I anticipate we will be able to handle that with this year's budget.

Helmrich - on page 102 of the packet - just a correction - discrepancy between \$3K and \$2K.

Marcy - no questions.

Graham has done a fantastic job.

Bigford - pleasantly surprised at how user friendly this budget is. The narrative is so helpful. None of this was of any surprise as Graham has done a great job of keeping us apprised of all of these situations.

Osman - Griffin has done a great job with the budget. He has made lemonade from lemons.

Helmrich - question: if any board members, individually or collectively would like to see an item in the new budget, what would the process be for that?

Osman - there is tension between the expectations and the actual revenue. This is an issue that we will need to discuss in the coming year. If we want to add something we will need to cut something.

Graham- would be happy to sit down with anyone to discuss what is included in this budget. If board members would like to have something added to the budget, that will have to coincide with an equal cut. That should be done in an open meeting.

Osman - this would be appropriate to do at the May meeting or at a special meeting.

Helmrich - will sit down with Graham to see if his possible requests are already included in the budget. Suggests that we funnel other requests to Osman and Graham and set a special meeting if agreeable or deal with it at the May meeting.

Osman - we could talk about some of these things tonight.

Graham- there is really no room in this budget for "wish list" items. Is happy to discuss what is included already and if there is any way to make requests happen. Requests will be forwarded to Osman and Graham.

April 2020 Budget Amendment Requests: these amendments are a result of one-time situations unknown at the time of the original budget process. Computer server replacement - the server crashed on March 10, 2020. It is patched temporarily patched, but it is recommended that it be replaced in FY 2019-2020.

Water debt fund transfer - there is a cash balance of approximately \$25K in the Water debt fund. All of the water debt has been retired. That money can be transferred to the water project fund where it can be utilized for future water projects.

Marcy moved to approve the requested April 2020 Budget Amendments, as submitted, and authorize the Township Manager to proceed with the Water Debt Fund (365) transfer and the purchase of a replacement computer server. Supported by Aldrich. Discussion: Marcy - we really need the new server. Roll Call Vote: All yes. Approved 5-0.

Cabbage Construction LLC - Connection Fee Agreement: Osman - This is a very similar situation to another that we had recently involving allowing paying connection fees over time. The agreement has been drawn up by legal counsel for us to approve or not. *Helmrich moved to approve the proposed connection fee agreement, as presented, and authorize the Township Supervisor and Township Clerk to execute the agreement with the applicable parties. Supported by Marcy. Discussion: none. Roll Call Vote: All yes. Approved 5-0*

2020 Road Projects: Graham - Bids were opened by the Allegan County Road Commission late fall/early winter last year. They recommended acceptance of the low bid received from Michigan Paving and Materials in the amount of \$300,309.20. This bid amount does not include the cost of the Riverside Road/Dugout Road project. *Bigford moved to approve the acceptance of the low bid received from Michigan Paving and Materials in the amount of \$300,309.20 for the projects outlined in the attached 2020 Bid Tabulation Spreadsheet and authorize the issuance of checks up to that amount without further board action to allow for more timely payment of the applicable contractors. Supported by Aldrich. Discussion: none. Roll Call Vote: all yes. Approved 5-0.*

2021 Road Projects: Graham - there is a brief update regarding the 60th Street project included in the memo. Before you all are the amendments

that were requested to be produced for 2021 local road projects. The Road Commission is working to work farther ahead with this process which tends to help lower bid prices. That is the reason why we have 2020 and 2021 here together. *Marcy moved to approve the 2021 local road project work orders, as presented, and authorize the Township Supervisor and Township Clerk to sign and return them to the Allegan County Road Commission. Supported by Bigford. Discussion: none. Roll Call Vote: all yes. Approved 5-0.*

Letter of Gratitude: Osman - we have been going through a really hard time. There are many people who are working because they have to be working. We want to provide a short letter signed by Graham, supported by the board to these departments expressing gratitude for their work in these hard times. The letter is in the packet. It is brief. Its a nice gesture on behalf of the township. Aldrich - Chief Janik is working on finding and distributing PPE for the County. People have really stepped up and donated. *Aldrich moved to authorize the Township Manager to sign and send the Letter of Gratitude (COVID-19) on behalf of the Township Board to the identified organizations. Supported by Helmrich. Discussion: Marcy thanked Graham for drafting this letter. Roll Call Vote: all yes. Approved 5-0.*

Short Term Rentals:

Helmrich - looking for clarification and feedback from Osman and Graham on this issue. The City of Saugatuck and the City of the Village of Douglas have both issued resolutions to amend short term rental policy during the COVID-19 pandemic. Osman - I think they were just notices put together by the managers with the Sheriff. Short term rentals are not considered essential services. We do have a couple of short term rentals that are housing individuals considered essential workers. Aldrich - has this been a problem recently? Osman - I think this has mainly been a problem with "party houses". It is not up to the township to rule on what is considered essential or not. That is why the two cities worked so closely with the Sheriff's department on the notices. Helmrich- were the notices sent to any short term rental operations or were they just posted publicly? Osman - The City of Saugatuck sent notices to owners and managers by email. Helmrich - do we know how much labor would be associated with this if the township decided to do the same? Osman - depending on how the township's database is set up; it could take a long time. I do not know how many short

term rentals we have in the township. With everything going on recently, short term rental database has not been a priority. Aldrich - the Governor has made her executive order. Is not in favor of sending an official notice to every owner/manager as it could be really time consuming. Maybe we could just put something on our website. Osman - we could use something really similar to the notices that the Cities used to post on the website or to email-blast. Does not want Graham to spend hours and hours of time on this as he is very busy with the budget. Helmrich - supports putting together a notice and posting it on the website and sending it to the e-blast list of people. At least we will have gone on record. Bigford - have we had any complaints regarding people renting short term rental properties for vacation purposes since COVID-19? Graham/Helmrich - no. Bigford - if we do have complaints, what is the procedure we should use? Graham - you should use the language from the email I sent on Monday. I spoke with Undersheriff Larsen on Monday about this issue and he informed me that short term rental violations are being treated like any violations of the Governor's executive order. So folks with complaints should contact law enforcement. Direct them to use non-emergency numbers unless it is an emergency, then dial 911. Aldrich - has received a few calls about violations. We need to direct all calls to law enforcement, correct? Osman - yes. Graham- any questions can be directed to me as well and I will forward the notice to board members when complete. *Helmrich moved to direct the Township Manager to draft a statement relative to short term rentals during the COVID-19 situation similar to the ones posted by the two cities. This statement will be posted on our website and sent through our e-blast system, and shared with each board member. Supported by: Marcy. Discussion: none. Roll Call Vote: all yes. Approved 5-0.*

Planning Commission: Did not meet in March.

Road Commission: Marcy- Graham covered everything earlier. Graham, do you have anything else to add? Graham: just the 2020/2021 material already covered. Lakeshore Drive- progress is being made slowly.

Fire Board: Aldrich - March was a record breaking month total of 66 calls. EMS calls were 58% of the volume. There were 4 illegal burns and one grass fire. Motor vehicle incidents are really low right now due to the "stay

at home" executive order. There was a big accident where a semi crossed 4 lanes of traffic and came to rest at Shultz Park.

Parks Commission: Graham (speaking on behalf of Jim Searing, Commission Chair) - Sundown park is still closed. The Old Allegan Road sidewalk project was started but is now on hold due to its non essential nature. Township parks are open, but are not being disinfected. The Parks Commission has many ideas for improvements in the future.

Kalamazoo Lake Water and Sewer Authority - no report

Emergency Services Committee - Graham (speaking on behalf of Schippa, the township's committee representative)- The township has now received invoices from AMR back to August. Communication with Life Ambulance continues regarding a proposal.

Open Board Report

Marcy - most people are following the "stay at home" order and is glad to see it. Helmrich - thanked Graham for being so quick in setting up the virtual meeting platform. Things could not have gone better. Osman - thanked Graham for making the Zoom meeting go so smoothly.

Manager's Report: 2020 Township Board Goals Q1 Progress update- included in the packet is the 2020 Progress Tracker to demonstrate the progress accomplished during the first quarter of 2020. Explained how to read the chart. Also included in the packet is a Master Projects List as well as the 2020 Township Board Goals document. Is pleased to announce that we are on track on most of the goals as expected.

Fiscal Year 2019-2020 Q3 Budget Review - included in the packet is a revenue and expenditure report to see where we are tracking in the current budget year. Nothing in particular to point out, just a quarterly check in.

COVID-19 update - the Governor is expected to extend the "stay home- stay safe" order in the coming days. When that occurs the township will issue an additional press release outlining how operations will continue or change.

April ZBA and Planning meetings will be held electronically if necessary. The township is continuing to pay staff even if they are working reduced hours or from home. This will be reevaluated after the April 30 deadline that I created. Staff are working remotely the best that they can to provide

services while being compliant with the Governor's order. While working on the budget, several grant opportunities have appeared. Spoke with the township's engineer at length about this and is interested in getting feedback from the board. Would the board support staff using time to pursue these grants along with the township's engineer? Helmrich- thinks staff should pursue this as capacity allows. Graham- the real work at this point is engineering related. Marcy/Helmrich - this is a good idea. Bigford - is there an estimated cost? Graham - we would not go beyond what is currently budgeted probably \$2-4K max. Osman - sounds like there is consensus that this is a good idea to move forward on.

Public comment: Andy Prietz - commended Graham for putting together this virtual meeting. It went very smoothly. Looks forward to utilizing his help in putting together a virtual meeting for the Planning Commission meeting later this month. Suggests that as we are quoting ambulance service, we look at securing better ambulance service for the north portion of the township. The north end of the township is being serviced by an ambulance from Holland currently. Supports improving this situation.

*Adjourn: Marcy moved to adjourn at 7:36pm. Supported by Aldrich.
Discussion: none. Roll Call Vote: all yes. Approved 5-0*

Prepared by Abby Bigford, Township Clerk