

**MINUTES
LAKE CHARTER TOWNSHIP
BOARD MEETING
July 18, 2005
7:00 p.m.**

CALL TO ORDER AND PLEDGE OF ALLEGIANCE

The meeting was called to Order by Supervisor John Gast at 7:00 p.m. The meeting opened with the Pledge of Allegiance to the Flag.

ROLL CALL

Clerk Payne called the roll. Board members present were John Gast, Supervisor; Gloria Payne, Clerk; Betty Korcek, Treasurer; Terry Eichler, Trustee; William "Bill" Geukes, Trustee; Fritz Wolf, Trustee and Trustee Tom Carson. Forty-three visitors were present in the audience.

APPROVAL OF AGENDA & AGENDA AMENDMENTS

The agenda will stand as presented.

APPROVAL OF MINUTES

Minutes - Regular Board Meeting June 20, 2005

It was moved by Eichler seconded by Carson to approve the minutes of the regular June 20, 2005 board meeting. All ayes, motion carried.

PUBLIC COMMENT

Kevin Ivers, Bridgman Public Schools Superintendent and School Board members' Lisa Kiewel and Patricia Strebeck presented to board members a memorandum regarding the Tennis Court Project. The School Board recently rejected the bid from Shelton Construction Company to construct four (4) tennis courts for \$187,300.00. Spending that amount of money would deplete the building and site public improvement funds to dangerously low levels. This project was not included in the recent recreational millage that was passed. The school board is not willing to use general fund dollars for facility repairs or improvements.

A similar presentation was given to the Bridgman City Commissioners. The school board is not asking Lake Township for monies, but rather for donation of manpower or possibly equipment toward the project.

Rita Zelmer asked where would this tennis court be located? Lillian Svitil asked how why the old courts were not maintained? Carol Siewert commented the Ladies Civic League donated \$2,000.00 to the new tennis courts in Baroda. Trustee Eichler indicated that the tennis courts in Baroda were not that expensive and a call to them for information on who constructed those might be a source for the school to look into.

Supervisor Gast thanked Mr. Ivers and the school board members and indicated that he would appoint a committee of three board members to work together on this project and further public comments could be addressed at a school board meeting.

APPROVAL OF BILLS

It was moved by Korcek seconded by Geukes to approve the June 2005 bills totaling \$274,394.94. All ayes, motion carried.

COMMUNICATIONS/CORRESPONDENCE PACKET

The following information was included in board members packets: MTA Faxes; Lake Township Water Filtration Plant monthly report; Lake Charter Township Utility Board meeting minutes; Lake Charter Township Planning Commission minutes; Lake Michigan Mailers postage savings statement; Galien River Sanitary Sewer District Authority meeting minutes, project status update; Lake Township Fire and Rescue meeting minutes; a listing of Lake Charter Township Fund Balances; Bridgman Public Library Meeting minutes; Lake Charter Township mid-year budget figures; Growth Alliance monthly meeting minutes.

REPORTS

B. Supervisor's Report

Supervisor Gast reported as follows:

- a. Met with Williams & Works and toured Lake Township;
- b. Attended Special Meeting of the Galien River Sanitary District Authority;
- c. Attended Water Plant tabletop Chlorine Accident training;
- d. Attended Galien River Sanitary District Authority meeting;
- e. Attended Dunewood Association meeting;
- f. Attended the Bridgman Area Chamber of Commerce meeting;
- g. Attended Park Committee meeting;
- h. Attended B&L Open House;
- i. Attended Supervisor's meeting;
- j. Attended Police Board meeting;
- k. Attended Community Growth Alliance meeting;
- l. Attended Utility Committee meeting.

B. Clerk's Report

Clerk Payne reported as follows:

- a. Met with Supervisor Gast, Treasurer Korcek and Dave Schaffer of McMurray, Marks & Edmunds on finalizing 2004 Audit;
- b. Attended Bridgman Area Chamber of Commerce meeting;
- c. Attended Community Growth Alliance meeting;
- d. Attended Berrien County Clerk's Association meeting
- e. Met with 5/3rd Bank representatives.

C. Treasurer's Report

Treasurer Korcek reported as follows:

- a. Met with Supervisor Gast, Clerk Payne and Dave Schaffer of McMurray, Marks & Edmunds on finalizing 2004 Audit;
- b. Met with 5/3rd Bank representatives;
- c. Attended Community Growth Alliance meeting;
- d. Attended Dura Mold Open House;
- e. Attended Bridgman Days Celebration.

Taxes have been mailed out and the first payment Lake Charter Township must make is by July 25, 2005. Deferment is for veterans, farmers and senior citizens.

D. Planning Commission Report

Trustee Wolf reported the Planning Commission approved a special land use permit for Mark and Renee Svorec. They also referred two rezoning requests to the township board.

E. Water Superintendent's Report

Water Superintendent Beach reported water pumpage is at an all time high. Zebra mussels continue to be a problem. Water main breaks are also being worked on.

F. GRSD Sewer Authority Report

Supervisor Gast reported an alternating relay and timer were replaced on Lift Station #34. On Lift Station #45 the pump was replaced along with the start capacitor and relay switch. The wet wells at Lift Stations #42, 43, 45 and 33 were cleaned. Reprogrammed pump controls at Lift Station #39 and an inspection at 8273 Red Arrow Highway was conducted.

The sewer expansion project is 75% complete. Payment #16 in the amount of \$626,738.09 was approved. Test runs are being conducted. Due to the dry conditions, these tests will give us close estimates of how much sewage we actually send there.

G. Police Department

Trustee Eichler reported the police department took delivery of the 2006 police car. It is having the radio and lights installed and will be in service by August.

H. Fire Department/Fire Chief

Trustee Eichler reported the Fire Department held training on the jet skis at Warren Dunes. The Scot Air Paks arrived this week. The 1964 International Fire Truck sold on eBay for \$5,600.00. Twenty-three fire calls were dispatched in June with a response time of four minutes.

VIII. Park Report

Trustee Wolf reported hydroseed has been sprayed to the area around the new pavilion. The new Park Superintendent is doing a good job. \$3,500.00 has been donated by 5/3rd Bank for installation of nine holes to the Disc Golf course, with possibly installing an additional nine holes in 2006.

J. Library Report

Carol Siewert reported the roof situation is in litigation. The summer reading program is going well. Lillian Svtil reported penal fines are down. A book sale was recently held.

K. Utility Committee Report

Supervisor Gast reported the contract for the water main replacement on Snow and California Road has been signed and the permits are being obtained. The water plant is pumping at an all time high of 4.58 million gallons per day. Options to share water sources in case of an emergency were discussed by Chikaming Township and the City of Bridgman. The unusual lack of rain has driven up the water usage. A special meeting of the township board will be held in the near future to discuss water plant upgrades, options, etc.

AGENDA ITEMS

Public Hearing on Termination of Public Act 116 Property #11-11-0009-0017-02-4

Supervisor Gast introduced Brian Holt of Passaro & Kahne Law Office, Attorney for Robert Heyn in the Application for Termination of a Farmland Development Rights Agreement Property No. 11-11-0009-0017-02-4. Attorney Holt indicated that Mr. Heyn is not looking for a zoning change or for developing the property. Mr. Heyn has paid his taxes for the last seven years, he is requesting relinquishment citing the best use of this land is residential, since zoning is already residential/agricultural. There are existing utilities surrounding this property. Mr. Heyn no longer engages in farming and owns no more equipment.

Supervisor Gast opened the public hearing at 7:35 p.m.

Ruby Adams, 2636 Lemon Creek requested that the land stay as farmland to maintain peace and quiet.

Tony Barker stated it is beneficial for the Township to keep the land in PA 116. Mr. Heyn was part of the Safe group protecting farmland when Baroda was going through the power plant issue.

Diane Francis Adams stated we should preserve the natural wildlife, we have enough houses and we should preserve farmland.

Dave Matlock stated this land was always farmland, not houses.

Bob Nitz asked where will it head if it is taken out of farmland. It will ruin the serenity and it is not economically feasible.

Mike Jasper cited the reasons for taking property out of P.A. 116, which include death, disability or court order. None of those conditions are met. He urged board members to abide by the Master Plan and endeavor to maintain its rural character. In the township survey conducted in 1996, 81% of the residents responded to maintaining farmland, 11% no and 8% had no opinion. Further, there is money to be made renting it out as farmland.

Robert Heyn responded that any comments that were made regarding the power plant issue was a Baroda Township issue and not a Lake Township issue and that those comments should not be considered for this request.

Supervisor Gast closed the public hearing at 7:42 p.m.

After discussion, it was moved by Carson seconded by Wolf to deny the Application for Termination of a Farmland Development Rights Agreement on Property No. 11-11-0009-0017-02-4 since none of the reasons for taking farmland out of P.A. 116 have been met, i.e., death disability or court order, in this case. Roll call vote: All yes to Deny. Motion carried.

Audit Report 2004

Supervisor Gast turned the floor over to Dave Schaffer of McMurrery, Marks and Edmunds. He presented the Lake Charter Township Board with the 2004 Audit. Mr. Schaffer thanked the board for the opportunity to work on the audit. He reported the new method of financial reporting, as required by Government Accounting Standards Board No. 34 has been implemented establishing new requirements for the annual financial reports of state and local governments. Its intention is to make annual reports easier to understand and more useful to the people who use governmental financial information to make decisions.

The new requirements are a Management discussion and analysis; Government-wide financial statements; Statement of net assets; Statement of activities; Fund-based financial statements; Governmental fund; Proprietary fund; Fiduciary fund; Note disclosures. The budgeting process is very accurate and this is an indication that funds are kept on track and remaining within the budget guidelines.

The Township's combined net assets decreased 1.5% from last year. As we look at the governmental activities separately from the business type activities, governmental activities experienced an increase in net assets of \$380,373 during the year, while the business type activities experienced a decrease in net assets of \$823,762.00, leaving the starting balance for 2005 \$1,504,209.00. At the end of 2004, the township had no outstanding debt.

Supervisor Gast asked for approval of the 2004 audit. It was moved by Eichler seconded by Korcek to approve the 2004 Audit. All ayes, motion carried.

Resolution for Tool & Die Renaissance Recovery Zone

Supervisor Gast introduced Kellie LaDuke, Business Retention Manager of Southwest Michigan First, Kalamazoo County, who brought before board members a Resolution from the Southwest Michigan Recovery Zone Program asking we create a Tool and Die Renaissance Recovery Zone for Dura Mold. She reported the State of Michigan has recognized that the tool and die industry is facing severe pressure to reduce costs. In 2004 the Michigan Renaissance Zone Act, P.A. 376 of 1996 was amended to allow the Michigan Strategic Fund to designate Tool and Die Recovery Zones.

The program consists of 20 Tool & Die Renaissance Recovery Zones, eight designated in 2004, 100% abatement for up to fifteen years, phased out 25% over last three years

There are certain criteria that tool and die companies must meet before they are awarded a renaissance recovery zone designation. First, they must employ 50 people or less, second they have to have a North American Industrial Classification System Code of 333511, 333512, 333513, 333514 or 33515 and already operate a facility within a renaissance zone and finally, enter into a collaborative agreement with other companies with the NAICS code.

Companies located in a recovery zone do not pay single business tax, 6-mill state education tax, local personal property tax, local real property tax and local income tax. Taxes still due are those mandated by the federal government, local bond obligations, school sinking fund or special assessments. The Michigan Department of Treasury reimburses intermediate school districts, local school district, community college districts and public libraries.

Ultimately the Michigan Tax Tribunal decides whether to approve the Renaissance Recovery Zone, however, local approval of the Resolution shows support toward this effort.

State Representative of the 78th District, Neal Nitz was present in the audience and commented this legislation would give a boost to the tool and die industry, helping them remove property taxes from their expenses. The state is losing businesses in the tool and die industry and the automobile industry. This would make them more competitive with down South and help retain jobs here in Michigan. This is a win/win situation. The answer to the question, where will the State get money to make up the taxes, by hiring more people, giving them raises - more income tax, more sales tax. This would show a good faith effort that we want them here. We don't want to lose any more businesses. The Michigan Economic Development Corporation would review these businesses every five years.

Dan Reifschneider of Accu-Die commented that he does not want to hurt Lake Township in anyway by not paying taxes. The tool and die industry is under siege. He cannot compete on an uneven playing field. It costs his business \$18,000.00 to put a man to work. The Single Business Tax is the highest in the nation. Without help from the State or local government, the tool and die industry will not be here.

Frank Bock of Dura Mold asked that we do everything we can to defeat any more businesses leaving the United States for China.

Supervisor Gast reported this agenda item was tabled from last month's meeting for input and revisions of the Resolution from Lake Township's legal counsel. The Resolution had not been given to the board at the time the packets were distributed. It was moved by Korcek seconded by Eichler to table this agenda item until the 15, 2005 meeting. All ayes, motion carried.

Rezoning Request by M.G.J. LLC

Supervisor Gast brought before board members the Petition for Zoning Amendment by M.G.J., LLC for Tax Parcel No. 11-11-0136-0027-00-7 from Res/Ag to C-1. It was moved by Wolf seconded by Geukes to forward this request to the planning commission for a public hearing. All ayes, motion carried.

Credit/Debit Card Acceptance

Supervisor Gast turned the floor over to Clerk Payne who indicated she had researched the acceptance of credit/debit cards by lake township residents for payment to the township of tax bills, water/sewer bills, zoning permits, variance permits, lot splits, building permits, mechanical permits, electrical permits, plumbing permits, peddler permits, burial right certificates, hall and park rental and dog license. She spoke with representatives of 5/3rd Bank who would supply the machine, no application fees, no installation or conversion fees, no statement fees and no training fees. A convenience fee will be charged to the resident paying any bill by credit card, but a debit card would be free of charge.

Supervisor Gast reported a resolution for the acceptance of payments by financial transaction device P.A. 280 of 1995 needs board approval to allow residents to pay by credit/debit cards. It was moved by Geukes seconded by Korcek to approve Lake Charter Township Resolution for the Acceptance of Payments by Financial Transaction Device, P.A. 280 of 1995. Roll call vote: All Yes. Motion carried.

Maintenance Billing for 1991 Pierce Lance Fire Truck 1120

Supervisor Gast presented to board members a bill from Moses Fire Equipment for repair work done on the 1991 Pierce Lance Fire Truck 1120 in the amount of \$4,810.43. The repairs include replacing the strobe lights, remove and replace adjustment bars and roll out tracks, remove water tank anode rods and inspect tan interior. Install new water tank, install wiper hose and clips, replace washer nozzle and adjust new nozzle, lubricate piston intake valve, install interior buttons, clean burt mast tower sections, remove top two sections and clean out plugged oil lube ports. Miscellaneous switches, adjustments to pump panel lights and water level gauge lights, wiring, replace primer motor and adjust primer control cable. It was moved by Carson seconded by Korcek to approve payment of the Moses Fire Equipment invoice in the amount of \$4,810.43 for repair work done on the 1991 Pierce Lance Fire Truck 1120. All ayes. Motion carried.

Request for Millage Resolution for Southwest Michigan Regional Airport Authority

Supervisor Gast brought before board members a request from Lee Scherwitz, Director of the Southwest Michigan Regional Airport requesting Lake Township to pass a resolution to allow a 0.25 millage ballot question to be presented to lake township voters on November 8, 2005 to support and become a member of the Southwest Michigan Regional Airport Authority.

Clerk Payne indicated that Lake Charter Township has no election issues in November 2006. She further commented that if they are willing to pay for an election, we would go ahead and prepare for that. However, if they are still interested in asking us, they could come back to us in 2006 and we could consider placing the issue on the ballot in November 2006.

After discussion, it was moved by Payne seconded by Geukes to deny the passing of this resolution at this time, due to Lake Charter Township having no election in 2005 and allowing them to ask us in 2006 to consider passing the resolution, which we would address the request at that time. All ayes, motion carried.

ANR Aquila Tax Tribunal Settlement

Supervisor Gast brought before board members ANR Pipeline and Aquila Tax Tribunal refunds. The amount for Aquila is \$957.52 and for ANR is \$136.05. These settlements are in the best interest of the township due to the amount of money further litigation would cost. The ANR settlement has State Tax Commission approval. Refunds for tax years 1998 through 2003 will be ultimately waived if the refund for 2004 is made on a timely basis and a cost multiplier of 72% is applied to the original cost of ANR's pipeline for tax years 2005 through 2010.

It was moved by Payne seconded by Geukes to approve payment of \$957.52 to Aquila and \$136.05 to ANR for Tax Tribunal settlement. All ayes, motion carried.

PUBLIC COMMENT

Greg Wardecke commented that when Reagan cut taxes, it spurred growth, approving the renaissance zone schools and communities will be better off if we give favorably.

Mike Jasper commented during the Browntown water main break, people were calling him asking him if it was okay to drink the water. Maybe a door hangar would be good to inform residents if the water is okay to drink.

Erna Linke commented the State wanted to eliminate the Single Business Tax a long time ago. With regard to the tennis courts, if they wouldn't have let the old ones deteriorate, they wouldn't have to ask for replacing them now.

ANNOUNCEMENTS

The next regular meeting is scheduled for August 8, 2005 at 7:00 p.m., Lake Township Hall, Bridgman, Michigan.

Lake Charter Township Planning Commission is scheduled for August 15, 2005 at 7:00 p.m., Lake Charter Township Hall, Bridgman, Michigan.

ADJOURNMENT

With no further objection and no further business it was moved by Carson seconded by Eichler to adjourn the meeting. All ayes. Motion carried. Meeting adjourned at 9:12 p.m.

Dated: _____

Gloria A. Payne, Clerk

Dated: _____

John Gast, Supervisor