

CHARTER TOWNSHIP OF CLINTON
REGULAR MEETING OF THE BOARD OF TRUSTEES
MONDAY, JANUARY 25TH, 2016

PRESENT:	ROBERT J. CANNON	SUPERVISOR
	KIM MELTZER	CLERK
	WILLIAM SOWERBY	TREASURER
	PAUL GIELEGHEM	TRUSTEE
	KENNETH PEARL	TRUSTEE
	DEAN REYNOLDS	TRUSTEE
	JENIFER WEST	TRUSTEE

ABSENT: NONE

The Regular Meeting of the Board of Trustees was called to order at 6:30 p.m. in the Township Board Chambers, Clinton Township Civic Center. Also in attendance was Mr. Jack Dolan, Township Attorney. The Pledge of Allegiance was recited.

APPROVAL OF AGENDA

Ms. Meltzer requested the addition of the following item:

Item #18: Resolution Ratifying and Authorizing the Township Clerk to Execute the Metro Act/Right of Way Permit Extension between the Charter Township of Clinton and AT&T

Motion by Mr. Pearl, supported by Mr. Reynolds, to approve the agenda as amended, with the addition of Item #18. Roll Call: Ayes – Pearl, Reynolds, Gieleghem, Cannon, West, Sowerby, Meltzer. Nays – None. Absent – None. Motion carried.

PUBLIC SERVICE ANNOUNCEMENTS

Mr. Sowerby reminded everyone that the 17th Annual Clinton Township Community Blood Drive will be held on February 9th and 10th, 2016 at the following locations:

Tuesday, February 9th:

Clintondale High School	8 am to 1:45 pm
Clinton-Macomb Public Library (Main Branch)	8 am to 1:45 pm

Chippewa Valley High School	1 pm to 6:45 pm
Wednesday, February 10 th :	
Clinton Township Senior Center	8 am to 7:45 pm
Clinton-Macomb Public Library (South Branch)	8 am to 7:45 pm

Mr. Sowerby noted that anyone who comes and attempts to give blood will have a chance to win one of forty \$50 American Express Gift Cards. He advised that donors can register for this drawing at the site. He added that they are also giving away two Apple Tablets. He urged those interested in donating blood to call (586) 286-1768 to schedule an appointment.

Mr. Cannon welcomed students present this evening from the Chippewa Valley High School government classes.

Mr. Cannon also requested that Item #11 be moved up to Item #1A, noting they had talked about doing this.

1. CLINTON TOWNSHIP HOUSING COMMISSION INFORMATION DISCUSSION

Ms. Eboni Nugin, of the Clinton Township Housing Commission, 34947 Village Road, Clinton Township, Michigan 48035, Mr. Robert Beale, of RAD Conversion Specialists LLC, 2325 W. Shiawassee Avenue, Suite 200, Fenton, Michigan 48430, and Mr. Eric Gold, 32500 Telegraph Road, Suite 222, Bingham Farms, Michigan 48025, were present to answer questions.

Mr. Cannon admitted that this came as a surprise to him, and he requested more information.

Mr. Beale explained they have talked in the past about different options available for redevelopment, and programs from the Department of Housing and Urban Development (HUD) have evolved over the years. Instead of renovations only, Rental Assistance Demonstration (RAD) has taken over the country in terms of developing new public housing. It does not bring money directly but it takes the public subsidy housing and turns it into Section 8 housing. Mr. Beale pointed out that the money the Housing Commission receives each year fluctuates, depending upon Congress, so budgeting and delivering the services the communities have grown accustomed to are a real challenge. With Section 8, they start with the money they are currently receiving and increase it annually through a cost-of-living increase. They can then look forward to increasing incomes rather than fluctuating incomes. This gives access to funds that were previously limited to private investors, and this allows for the generation of funds needed. Mr. Beale noted the good thing about RAD is that it does not restrict a community to take the existing units on site and rebuild them on the same site.

They are allowed to split them up. He mentioned that he and Mr. Gold are partners, and they have done some significant development in Detroit. They were able to take all of the public housing sites in the City of Detroit, and they kept the same number of public housing units, so no one loses anything. They can then add some more units, possibly with higher incomes. They have market rate residents and they are all living in one community with those of lower incomes. He cited an example in Detroit, where some residents are paying \$1,100 a month for a three-bedroom unit, and they are living next to someone paying \$50 a month for their unit. He noted that they have homeowners along with renters, and he added that some of their units are selling for \$360,000. He emphasized that, with a community that is mixed economically, it is a stronger community, and it becomes more of a “community” rather than “a project”. Mr. Beale advised that the Township has the ability to take advantage of those same tools. He noted that the back of the subject location has a lot of vacant space, so they can use that to build a 70-unit building. They found a site and took a footprint of the people to see what they can do. There are currently 25 seniors living in the Village Road community, and added that about 50 of the units would be non-public housing residents. He stressed that no one is losing their home, but once the new units are built and the current residents are moved in, they can tear the old units down. He could not say how many units would be constructed during the next phase, but those new buildings would be constructed for mixed incomes. Mr. Beale commented that some of the units may end up in the same place they are now, but others may be torn down with new units relocated. He added that they may end up building 200 to 300 units. Mr. Beale replied to inquiry that, although the concepts are in place, he cannot answer how many units they will end up with.

Mr. Beale stressed that the people in the Village Road Apartments are excited about this plan, and he reiterated this is all about creating a small community. He claimed that even when people were losing their homes due to the bad economy, their developments had vacancies of less than 2%.

Mr. Cannon inquired as to whether they are seeking a subsidy from the Township to help build this development.

Mr. Beale replied no, but added they would like to come back to the Township for some items. The Village is a pilot and they would like to renew that. They would be seeking other approvals from the Township in the way of site development plans, etc. They would like to generate additional Community Development Block Grant (CDBG) money through their relationship with HUD, but he stressed they are not asking for that this evening.

Mr. Pearl inquired as to whether the funding for this has already been approved.

Mr. Beale replied to inquiry that the RAD application has already been approved. There are 100 units on the current site.

Mr. Pearl inquired as to whether the tenants are currently paying through their government subsidies.

Mr. Beale replied affirmatively, adding that they would continue to do so. He explained that they all pay 30% of their adjusted gross household income.

Mr. Pearl inquired as to whether those are the same requirements for Section 8 housing.

Mr. Beale replied that it is the same and they use the same handbook. He assured there is no impact on the residents as far as monthly costs, and any change in their household income is the only thing that would alter the amount they pay. He noted that the Section 8 does not go with the resident, but it would stay with the project, and Clinton Township would be the entity controlling this. He clarified this would be a joint venture between the Clinton Township Housing Commission and RAD Conversion Specialists. Mr. Beale replied to further inquiry that they already signed a Memorandum of Understanding with the Housing Commission. He emphasized that RAD Conversion Specialists has been nationally recognized as a leader in this program and have been in the forefront of public housing for years. They have multiple public housing communities with whom they are working, and they would be working with Slavik Builders.

Mr. Gold explained that the Slavic Company is a partner with RAD Conversion Specialists in redevelopment. They have an affiliate who is a general contractor, having done projects in Detroit and Allegan, Michigan.

Mr. Beale replied to inquiry that the management of the housing would go back to the Housing Commission after it is completed. He indicated this program is flexible. They can indicate they will convert 100 units, but not all at the same time, so they develop a contract for possibly 25 units. They could then take 40 more and build a 100-unit project on that site or another site.

Mr. Pearl inquired as to whether HUD is going to underwrite this entire project with only 25 seniors.

Mr. Gold replied they will be using low-income housing tax credits to build. RAD Conversion Specialists will be required to provide guarantees. It is money through the IRS which provides tax credits and an investor purchases those tax credits. It is not a loan, but they require a capture of those tax credits.

Mr. Pearl inquired as to who pays the operating cost while this is being constructed.

Mr. Gold replied there is a built-in reserve, and they would be providing all of the guarantees if the units do not lease. He assured that the Township will not be on the hook for that.

Mr. Pearl commented that he has been involved with quite a few apartment complexes, with some of those being Section 8. He agreed it can work, but he wants to make sure by getting all of the details.

Mr. Dolan noted that, according to the documentation provided, 75% of these will not be occupied by Section 8, and he inquired as to whether that percentage of non-Section 8 is fixed, or whether it will fluctuate.

Mr. Gold replied that can fluctuate.

Mr. Dolan explained the intent is to have the local unit of government receive less money as its contribution to the project, which is intended to address the need of having housing for lower-income residents. He inquired as to whether they will be prorating the payment in lieu of taxes because they will actually be collecting full market rate, when the Township will only be getting a little money.

Mr. Beale clarified the formula is based on total revenue, not on each unit.

Mr. Dolan commented that he knows how it works, but they are saying it is the same as if it was all low-income. He pointed out their presentation of having a mixture of housing in the one community seems to indicate a lot of mixed usage on the site. He stated he is trying to figure out how the payment in lieu of taxes works because when the plan was originally put together, it was oriented towards a low-income-based facility.

Mr. Beale did not feel the pilot would approach the straight tax amount. He recalled the pilot ordinance indicates if the Township participates in the pilot program, it is 10% or less. He explained that with the tax credit program it comes in lower. The income levels allowable are up to 80% of the area's medium income. This development will be up to 60% of the area's medium income, and if some are Section 8 or tax credit only, they will be at the same levels or lower. Mr. Beale noted that they would like to get some market rate units in there. In Detroit, they used 30% as market rate units, noting that when they get the higher rents, that allows for debt service. He claimed that mixing incomes within the community creates a much stronger community, and it has a different atmosphere.

Mr. Pearl inquired as to what point the development is turned back over to the Housing Commission.

Mr. Beale replied that the Housing Commission never steps out of it.

Mr. Pearl commented that it sounds a little more complicated.

Ms. West explained that they will have 145 units on the property instead of the 100 that are currently there. She added that the seniors will have a nice area, and if they want to see their friends, they only have to go out into a hallway.

Mr. Beale assured that the market rates will be competitive. He replied to inquiry that the completion guarantees and the compliance guarantees are something that RAD Conversion Specialists will be “on the hook for”. They are not looking at having any mortgage so they need to make sure they lease them all so they can take advantage of the tax credits.

Mr. Pearl inquired as to how they can do that without a mortgage.

Mr. Beale replied that the tax credits work very well, and it looks like they will be able to fund it that way.

Mr. Sowerby commented that the project on Village Road sounds exciting and he applauded the Housing Commission for looking at this and at the chance to improve the lives of the people who live there, stressing that is important. He inquired as to what their next step will be.

Ms. Nugin replied that they need to take care of the land acquisition by getting more information to HUD so it can be approved. They have to conduct a site neighborhood study and an environmental study, especially for their April 1st tax credit application. She hoped this will be completed very soon, and they will need the pilot as part of the tax credit application.

Mr. Sowerby inquired as to their plans for all of the additional units they are proposing.

Mr. Beale replied they will try to identify areas nearby where it would make sense to enhance the community and build. They have to take into consideration the number of units in a development, pointing out that the logistics of managing a complex with only 15 units would be difficult because costs would be much higher. At the same time, they would like to create a greenspace and parking so they can blend into a community. They do not want to develop “projects” but rather “neighborhoods”.

Mr. Sowerby inquired as to what makes them think the Quinn Road area can support or needs additional housing like this.

Mr. Beale replied that there is vacant land in the Quinn Road area, and the land is rather inexpensive, which is a factor that they must consider and helps to “drive the deal”. They could also ask the Township to donate Township-owned land for this purpose. Because the off-site deal is more conceptual at this point, they need to look at the model but still make sure it meets all of the goals. He felt the Quinn Road area seemed like a good fit.

Mr. Sowerby noted that the Quinn Road area is already saturated with low-income housing. He felt that Mr. Beale’s group should be talking with residents in the existing Quinn Road community to see if they want to embrace such a project.

Mr. Beale assured they have plans to do that, although at this point it is just conceptual so they do not have good answers to questions that may be raised. After they get through the first phase of the senior building, they would like to have “town hall” meetings, or “neighborhood charrettes” with architectural students. They find that when they hold these meetings, the neighborhoods that are affected are strongly in support of the plans.

Mr. Sowerby felt that before the Board requires anything more of RAD Conversion Specialists, he felt Mr. Beale needs to reach out to the Quinn Road community through these town hall meetings or neighborhood charrettes to get their input. He stressed it is an important community to Clinton Township, and they may or may not embrace having more low-income type housing in their area. He noted that this community has expressed some renaissance over the years since the long-hated incinerator was torn down. This area became a centerpiece for the State of Michigan because of the renaissance that took place with new development, so he felt strongly that this neighborhood has to be involved with this proposal. Mr. Sowerby commented that they may embrace this concept, but if they have questions or concerns, it would be better to get this information before proceeding. Mr. Sowerby clarified that this is separate from the Village Road development, which he feels is extremely important and should go forward.

Ms. West confirmed that the Village Road redevelopment is definite. She questioned whether another area they could consider would be Hall Road/Gratiot, or possibly another area in the Township.

Mr. Beale replied they do not have a set location for the second development, so they would be willing to look at all possibilities.

Ms. West felt it would not have made much sense to go to the residents with this up to this point because it would have been premature. With the deadline for the application coming up, she liked the idea of the town hall meetings or neighborhood charrettes, but she reminded the second area has not yet been selected and it could be anywhere.

Mr. Beale assured they do not “just come in and build a project” without community involvement.

Mr. Gold clarified that the preliminary site plan showing 25 units could be changed. He noted one of the goals is to add significant green space, which the plan does not reflect.

Mr. Cannon commented that the purpose for tonight’s discussion is to introduce the concept, and it is for the Board to receive and file.

Mr. Gielegghem admitted this is a new concept for him, and it makes sense to have these discussions. He pointed out that the current public housing concentrations are all in the same area, and this discussion is indicating that may be broken up. He felt the stabilization of the funding would be another advantage to this plan, because it is difficult to keep something going with fluctuating funds. He was not sure whether Section 8 will cure the flow of the public dollars. He questioned whether the criteria is changing in who is eligible.

Mr. Beale replied that some are using HUD funding for mortgages. He pointed out that the same sources underwriting the mortgages are funding the subsidies. He explained that the reason for RAD is it is not just public housing. They are converting more public housing to Section 8 housing, but public housing does not have lobbyists. The Section 8 program is used by private developers and private owners who have money and lobbyists, so to get rid of Section 8 would be very difficult because there would be more political pressure. HUD is building everything around that.

Mr. Gielegghem felt it is a sad commentary that “if you don’t have lobbyists, you don’t have a say”. He could see more public-private partnerships, and with RAD Conversion Specialists being an entity and public housing being an entity, he questioned who is responsible for what. He questioned the flow of the dollars, although he admitted tonight might not be the time to get into that detail.

Mr. Beale assured he would be glad to go over all of that, possibly at a later date.

Mr. Gielegghem questioned the benefit for the community as a whole. He felt it could be a disaster if it is not clearly defined.

Mr. Beale replied that the tax credit program requires that if they are going to participate, they have to maintain their obligations for at least 15 years, so they cannot walk away. He emphasized that the ownership and control, however, remain with the Housing Commission, which does not change. He added that the Housing Commission is an appointed group. Mr. Beale explained that it is nearly impossible for the Housing Commission to get tax credits, so they need guarantors, which is where RAD Conversion Specialists comes in. He noted that a lot has to do with managing the risk so that is why they bring in-house construction. The management becomes a case of making sure the Housing Commission stays in compliance with tax credits, so they provide the oversight to make sure that gets done.

Mr. Gielegem stated he is curious as to how this developed and who else performs this type of work.

Mr. Beale replied that he has been looking at redeveloping the Village Apartments for 15 years as programs come along, so he has been involved with this for a long time. He personally managed Newport Apartments and Clemens Court, and was able to “clean up the mess”. He explained that other companies that do what they do are very limited. Out of the 1.2 million public housing units in the country, Congress has only allowed 185,000 to participate in this type of program, and Clinton Township is one of those selected, so they are on the forefront. He added that there are some companies that do what RAD Conversion Specialists do, but they are only looking for the large agencies to work with. He felt RAD Conversion Specialists is the only company of its kind in Michigan, and there may be a few others nationwide.

Mr. Gielegem thanked Mr. Beale, Mr. Gold and Ms. Nugin for their presentation, and he added that he is looking forward to working with them.

Mr. Pearl inquired as to whether there is a plan that includes the five acres, and added that he is in favor of replacing the 100 units with something. He does not have a problem with the mixed housing concept, but he questioned whether they have to go to another location if that neighborhood community does not want it.

Mr. Beale assured the site plan would accomplish all of the required goals from HUD and replace the 100 units on site. They could achieve the same goals and keep it all on one site, and it would be feasible, although he added he did not know if it would be an ideal situation. He felt placing all of the units on that site would result in a congested neighborhood and not as open as he felt it should be. He stressed there are no plans for the five-acre site, and they do not even know at this point where the utilities would go. If the Board feels they should look at other areas in the Township for mixed housing in order to stimulate more commercial development in that particular area, they have the flexibility at this point to go elsewhere. He explained that the senior building will be garden-style

with a movie theater, hair salon and other amenities. It would be more isolated because the seniors need that security.

Mr. Pearl inquired as to when they intend to start building.

Mr. Beale replied that they are in Phase I, and would need to submit tax credit application on April 1st. He anticipated they would be notified around July as to whether they are approved, and construction would take approximately 12 to 18 months, so it is about a two-year period. During that time, they would be working on the subsequent phases. Tax credit applications can be submitted on April 1st and October 1st of each year, so he would be looking to get paperwork together for another project possibly in October. If they build off site, they would complete the building and then move the residents in. If they build everything on the same site, they would have to look at temporary relocation for the residents.

Mr. Pearl stated he is looking forward to more on this and answers to some of the questions that were raised.

Mr. Sowerby acknowledged that payment in lieu of taxes are what drives these projects. He recalled something similar being done at Oxford Square when they wanted to do something with the sunset of the mortgage, and asked for extended tax credits. He added that a completely remodeled Oxford Square resulted.

Mr. Beale stated he was the individual who had done that with Oxford Square.

Mr. Cannon stated he has seen Mr. Beale's work and the turn-around at Oxford Square. He has also seen Mr. Beale with both small and large groups, noting that he is very patient and takes the time to explain and answer questions. He understood from the presentation tonight that RAD Conversion Specialists will be redoing the current Village Road housing by starting with the development of senior units on the back portion of the property. Once those seniors are moved in to the new development, he understood they will be tearing down the existing units and either construct more on that site or possibly another location in the Township. Mr. Cannon understood that they are not asking for anything from the Township other than the pilot or possibly help in the way of a donation of Township-owned land for another site.

Motion by Mr. Cannon, supported by Mr. Pearl, to receive and file the letter dated January 20th, 2016 from Ms. Eboni Nugin, Executive Director of the Clinton Township Housing Commission, and the presentation from RAD Conversion Specialists LLC regarding future plans for the Clinton Township Housing Commission. Discussion ensued.

Ms. West stated that she has been on the Housing Commission for a long time. She acknowledged that Mr. Bruno Burnosky and Mr. Tom Tignanelli are present

tonight, and thanked them for their dedication in serving on the Housing Commission. She also thanked Ms. Eboni Nugin, commending her for being “a class act” and doing so much for the Housing Commission.

Roll Call: Ayes – Cannon, Pearl, Reynolds, Gielegem, West, Sowerby, Meltzer.
Nays – None. Absent – None. Motion carried.

**1A. RECOMMENDATION FROM TRANSPORTATION COMMITTEE
(formerly Item #11)**

Motion by Mr. Sowerby, supported by Mr. Reynolds, to suspend the Township Board’s rules to allow this item to be moved from Item #11 to Item #1A. Roll Call: Ayes – Sowerby, Reynolds, Gielegem, Pearl, Cannon, West, Meltzer. Nays – None. Absent – None. Motion carried.

Mr. Sowerby noted that Mr. Fred Barbret, the ombudsman from SMART, is present tonight to answer questions. Mr. Sowerby explained that they will be out of dollars to provide the three buses that provide transportation for senior citizens and persons with disabilities in the Township. The Transportation Committee met to discuss this, and in order to keep the service going through at least March 31st, 2017, they have come up with the recommendations listed in the correspondence. He noted that approximately \$20,000 of SMART credits were allocated in support of paying the Township back for General Fund dollars used to pay for the time the staff of the Senior Center and Finance Department put into this program. He advised that all of Macomb County has their bus maintenance done by SMART at their garage located off of 15 Mile Road, between Gratiot and Harper. The Township has been having this work done by the Water & Sewer Division, but they would save by having it done by SMART. SMART would not charge any hourly fees but would only charge for the parts, and credits could be used to pay for those. He explained the Committee is also recommending that \$60,000 be allocated from the General Fund for the 2016-2017 Fiscal Year, although he added it is likely they may not need all of this because of the savings they will generate from some of these other changes. They are recommending that a fourth bus be ordered, which could be used for expanded services. When that bus comes in, they can look at how to utilize the bus, noting that it takes a year for the bus to come in, and that is why they need to put the bus request in now. He indicated that the majority of communities have between five to seven busses. It is a great program, and there are more seniors and disabled individuals in the community who need and use this service. He added that Ms. West also serves on this committee and was very helpful.

Motion by Mr. Pearl, supported by Mr. Gielegem, to receive and file the letter dated January 20th, 2016 from the Clinton Township Transportation Committee and concur with their recommendations included in the correspondence with regard to SMART Municipal and Community Credit allocations for the township’s

community bus program, including authorizing the Township Supervisor to request a fourth bus from SMART, and to allocate up to \$60,000 from the General Fund for the 2016-2017 fiscal year, if needed, with any SMART credit savings realized from changes to the existing program reducing the General Fund allocation to this program. Roll Call: Ayes – Pearl, Gielegghem, Reynolds, Cannon, West, Sowerby, Meltzer. Nays – None. Absent – None. Motion carried.

2. RECOMMENDATION OF PERSONNEL VACANCY REVIEW COMMITTEE

Motion by Mr. Reynolds, supported by Ms. West, to receive and file the letter dated January 21st, 2016 from the Human Resources Director, and concur with the Personnel Vacancy Review Committee's recommendation to: 1) Create and fill one (1) Firefighter position in the Fire Department; and 2) Create and fill one (1) part-time Clerical Aide position in the Senior Center, which does not increase the current authorized hours for Clerical Aide but shall be distributed between four (4) authorized positions rather than three (3) positions. Discussion ensued.

Mr. Gielegghem inquired as to what will happen when the firefighter currently on leave comes back.

Ms. West replied that the firefighter on leave will not be coming back, so this will just be bringing them up to their authorized number.

Roll Call: Ayes – Reynolds, West, Gielegghem, Pearl, Cannon, Sowerby, Meltzer. Nays – None. Absent – None. Motion carried.

3. APPROVAL OF APPOINTMENT TO UTILITY WORKER POSITION – PUBLIC SERVICES DEPARTMENT (1)

Motion by Mr. Pearl, supported by Ms. West, to receive and file the letter dated January 19th, 2016 from the Human Resources Director, and appoint Mr. Corey Edwards to the position of Utility Worker in the Water & Sewer Division, Department of Public Services, with a starting annual salary of \$39,582, as specified in the UAW Local 412, Unit 76 collective bargaining unit, with a start date of January 26th, 2016; further, this appointment is contingent upon successful completion of a background investigation and a pre-employment medical examination, including drug screen. Roll Call: Ayes – Pearl, West, Reynolds, Gielegghem, Cannon, Sowerby, Meltzer. Nays – None. Absent – None. Motion carried.

4. APPROVAL OF APPOINTMENT TO UTILITY WORKER POSITION – PUBLIC SERVICES DEPARTMENT (2)

Motion by Ms. West, supported by Mr. Reynolds, to receive and file the letter dated January 19th, 2016 from the Human Resources Director, and appoint Mr. Eric Streu to the position of Utility Worker in the Water & Sewer Division, Department of Public Services, with a starting annual salary of \$39,582, as specified in the UAW Local 412, Unit 76 collective bargaining unit, with a start date of January 26th, 2016; further, this appointment is contingent upon successful completion of a background investigation and a pre-employment medical examination, including drug screen. Roll Call: Ayes – West, Reynolds, Gielegghem, Pearl, Cannon, Sowerby, Meltzer. Nays – None. Absent – None. Motion carried.

5. REQUEST APPROVAL OF WAIVER – TRIM CUT

Motion by Mr. Reynolds, supported by Mr. Gielegghem, to receive, file and concur with the letter dated November 20th, 2015 from the Chairperson of the Budget/Ways & Means Committee, and grant the waiver of the requirement of a concrete paved surface located in the rear storage yard of Trim Cut, and allow the use of gravel in the rear storage yard for one year, which will commence from the date of receiving a Certificate of Occupancy permit from the Building Department; further, the paving of this rear storage area and the ordinance requirement for storm water detention must be completed prior to the one year waiver ending. Roll Call: Ayes – Reynolds, Gielegghem, Pearl, Cannon, West, Sowerby, Meltzer. Nays – None. Absent – None. Motion carried.

6. RECOMMENDATION ON INSURANCE SETTLEMENT OFFER – LADDER TRUCK

Motion by Mr. Pearl, supported by Mr. Reynolds, to receive, file and concur with the letter dated January 22nd, 2016 from the Township Supervisor and accept the \$38,800 settlement offer from AAA Insurance for the 1990 Pierce Aerial Fire Truck which was hit while parked, resulting in a total loss of the vehicle. Roll Call: Ayes – Pearl, Reynolds, Gielegghem, Cannon, West, Sowerby, Meltzer. Nays – None. Absent – None. Motion carried.

7. REQUEST PERMISSION TO ATTEND STATE CONFERENCE – MICHIGAN RECREATION AND PARKS ASSOCIATION CONFERENCE

Motion by Mr. Pearl, supported by Mr. Reynolds, to receive and file the letter dated January 19th, 2016 from the Recreation Director, and authorize the Director and two staff members from Parks and Recreation staff to attend the Michigan Recreation and Parks Association annual in-state conference, to be held at the

Grand Traverse Resort in Traverse City, Michigan; further, this is a budgeted expense estimated at \$727 each, or a total of \$2,181.00. Discussion ensued.

Ms. Meltzer explained that Mr. Pizzo had wanted to be here tonight to emphasize that the Parks & Recreation needs to do this to keep their certifications up to date. He had indicated that not all members will be going to attend, so he wanted to make sure the Board understands that, while this is something they need to do, they are being conservative in their request.

Roll Call: Ayes - Pearl, Reynolds, Gielegghem, Cannon, West, Sowerby, Meltzer. Nays – None. Absent – None. Motion carried.

8. REQUEST APPROVAL FOR OUT-OF-STATE TRAVEL

Motion by Mr. Reynolds, supported by Mr. Pearl, to receive and file the letter dated January 11th, 2016 from the Police Chief, and approve the request to send Detectives Jeffrey Barbera and Joseph Burns to the Oxygen Forensics Software User Conference in Indianapolis, Indiana on April 19th and 20th, 2016 at a cost of \$395 per person, with the officers driving to Indianapolis. Roll Call: Ayes – Reynolds, Pearl, Gielegghem, Cannon, West, Sowerby, Meltzer. Nays – None. Absent – None. Motion carried.

9. BID AWARD: 15 MILE ROAD WATER MAIN REPLACEMENT

Mr. Gielegghem inquired as to whether the Township has previously worked with the recommended company.

Ms. Bednar replied affirmatively and assured that they have been a good contractor.

Ms. Meltzer pointed out that this came in under budget.

Motion by Mr. Reynolds, supported by Mr. Gielegghem, to receive and file the letter dated January 20th, 2016 from Mr. Scott J. Chabot P.E., Senior Project Manager, Giffels Webster, and award the 15 Mile Road Water Main Replacement (between Gratiot Avenue and Little Mack) to DVM Utilities, Inc. in the amount of \$396,920.25, as outlined in the correspondence. Roll Call: Ayes – Reynolds, Gielegghem, Pearl, Cannon, West, Sowerby, Meltzer. Nays – None. Absent – None. Motion carried.

10. REQUEST TO HANG BANNERS AROUND THE TOWNSHIP FOR THE ANNUAL COMMUNITY BLOOD DRIVE

Mr. Sowerby explained that the list contains the locations where they would like to put up these banners advertising the Annual Community Blood Drive. He

requested that one more location be added to that list, and that would be on North Gratiot. The Downtown Development Authority (DDA) has an electronic sign at that location but it cannot be programmed, so a banner at that location would be appreciated.

Motion by Mr. Pearl, supported by Mr. Reynolds, to receive, file and approve the request to place banners throughout the Township promoting the 17th Annual Community Blood Drive, to be held on February 9th and 10th, 2016, as outlined in the correspondence, with the addition of one more banner to be placed on Gratiot, across from the Jim Causley dealership. Roll Call: Ayes – Pearl, Reynolds, Gielegem, Cannon, West, Sowerby, Meltzer. Nays – None. Absent – None. Motion carried.

11. RECOMMENDATION FROM TRANSPORTATION COMMITTEE

This item was moved to Item #1A.

12. TREASURER'S 4TH QUARTER REPORT

Motion by Ms. West, supported by Mr. Gielegem, to receive and file the Treasurer's Quarterly Investment Report for the 4th Quarter 2015, dated January 20th, 2016. Roll Call: Ayes – West, Gielegem, Reynolds, Pearl, Cannon, Sowerby, Meltzer. Nays – None. Absent – None. Motion carried.

13. ADOPTION OF TOWNSHIP ORDINANCE 420: PROPOSED REVISION INTERNATIONAL PROPERTY MAINTENANCE CODE AND ADOPTION

Ms. Meltzer informed that this proposed ordinance was introduced at the last Township Board meeting and is ready to be adopted this evening.

Motion by Mr. Sowerby, supported by Mr. Pearl, to adopt Ordinance No. 420, amending Chapter 1496.01 of the Code of Ordinances, which adopts the current edition of the International Property Maintenance Code, published by International Code Council, Inc.; further, this Ordinance shall become effective immediately upon publication. Roll Call: Ayes – Sowerby, Pearl, Reynolds, Gielegem, Cannon, West, Meltzer. Nays – None. Absent – None. Motion carried.

14. ADOPTION OF ORDINANCE 421: REVISED ORDINANCE ESTABLISHING WATER AND SEWER SERVICE CUSTOMER DEPOSITS

Ms. Meltzer informed that this proposed ordinance was introduced at the last Township Board meeting and is ready to be adopted this evening.

Motion by Ms. West, supported by Mr. Reynolds, to adopt Ordinance No. 421, amending Chapter 1042.02(3) of the Code of Ordinances, which establishes water and sewer service customer deposits; further, this Ordinance shall become effective twenty (20) days following adoption and publication. Roll Call: Ayes – West, Reynolds, Gielegem, Pearl, Cannon, Sowerby, Meltzer. Nays – None. Absent – None. Motion carried.

15. REVISION TO FEE SCHEDULE ESTABLISHING DEPOSIT AMOUNTS FOR CERTAIN WATER AND SEWER SERVICE CUSTOMERS

Ms. Meltzer reviewed the fee schedule, noting that these will become effective upon adoption of the Resolution.

Mr. Sowerby clarified that for people renting properties, they have a rental agreement in place. It is for residential and commercial properties.

Ms. Bednar indicated the Township already charges fees, but the fees are being increased to reflect current rates. She added that the current deposit does not cover a typical bill. She explained these serve as a security deposit for someone who has a tenant, and they are for both residential and commercial properties.

Mr. Pearl inquired as to whether this applies if the owner of the building pays the water bill.

Ms. Bednar replied that in those instances, the owner of the building would have to have the proper paperwork in place so the Township is covered.

Mr. Sowerby pointed out that they used to separate “residential” versus “commercial” and the fees were reflected accordingly. This fee schedule is based on the size of the pipe, rather than the use of the property.

Motion by Mr. Reynolds, supported by Mr. Gielegem, to adopt the Resolution Revising Fee Schedule Ordinance Establishing Security Deposit Amount Water and/or Sewer Service, as presented. Roll Call: Ayes – Reynolds, Gielegem, Pearl, Cannon, West, Sowerby, Meltzer. Nays – None. Absent – None. Motion carried.

16. ADOPTION OF BOARD POLICY FOR DETERMINING CUSTOMERS REQUIRED TO PAY WATER AND SEWER DEPOSITS

Motion by Mr. Sowerby, supported by Ms. West, to receive and file the letter dated January 20th, 2016 from the Director of Public Services to delegate the authority to the Director of Public Services and his/her appointee as pertains to determining the necessity of securing a water and sewage disposal deposit. Roll

Call: Ayes – Sowerby, West, Reynolds, Gielegem, Pearl, Cannon, Meltzer.
Nays – None. Absent – None. Motion carried.

17. REVISION TO ADDITIONAL CHANGE IN SCOPE FOR ZONE 6 SEWER REPAIRS

Motion by Mr. Reynolds, supported by Mr. Sowerby, to receive and file the letter dated January 25th, 2016 from Mr. Scott J. Chabot, Senior Project Manager, Giffels-Webster, and approve the revision of a previously approved Change in Work Scope for Zone 6 Sewer Repairs, and accept a not-to-exceed construction cost of \$250,000 for these repairs, as outlined in the correspondence. Roll Call: Ayes – Reynolds, Sowerby, Gielegem, Pearl, Cannon, West, Meltzer. Nays – None. Absent – None. Motion carried.

18. RESOLUTION RATIFYING AND AUTHORIZING THE TOWNSHIP CLERK TO EXECUTE THE METRO ACT/RIGHT OF WAY PERMIT EXTENSION BETWEEN THE CHARTER TOWNSHIP OF CLINTON AND AT&T

Ms. Meltzer noted that this permit extension will expire on November 30th, 2020.

Mr. Dolan explained that the Michigan Constitution, adopted in 1963, specified that local units of government have the authority to issue franchises to utilities and others. The lobby from many of these utility providers convinced legislators to pass the Metro Act. This has been the subject of discussion and rancor among communities. It provides for uniform application and process. Funds are collected at the State level and then distributed to local government based on the footage of lines. Clinton Township has 1,462,000 feet subject to the Metro Act. In 2013, the Township received \$44,000. In 2015, that amount was reduced to \$38,000. Recently there has been legislation proposed to obligate the local governments to reimburse these utilities of construction projects should occur and they have to move their lines. The amount the Township would be required to reimburse these entities could easily surpass the money they are receiving. He summarized that, because of their lobby with the State, these entities are having these local units of government subsidize and underwrite the expenses that are supposed to be the entities' responsibility.

Motion by Mr. Reynolds, supported by Mr. Gielegem, to receive and file the letter dated January 18th, 2016 from the Township Attorney, and adopt the Resolution Ratifying and Authorizing the Township Clerk to Execute the Metro Act/Right-of-Way Permit Extension between the Charter Township of Clinton and AT&T, as presented. Discussion ensued.

Ms. Meltzer expressed the passion her fellow Board members feel on this issue. She pointed out that many of the local controls have been taken away by the State of Michigan, including massage licensing, liquor licensing, and possibly

marijuana. She felt it is likely the State will take over the marijuana issue as well, and it will be up to local governments to monitor all of these entities, while she claimed the State has no idea what the local communities are going through. She felt the State is not only interested in the control but also for monetary reasons. She hoped the next legislature that comes in will try to redo all of this to give the local governments more control once again.

Mr. Cannon and Mr. Reynolds also pointed out the fireworks regulations that have also been taken over by the State.

Roll Call: Ayes – Reynolds, Gielegghem, Pearl, Cannon, West, Sowerby, Meltzer.
Nays – None. Absent – None. Motion carried.

APPROVAL OF MINUTES OF JANUARY 11TH, 2016 REGULAR TOWNSHIP BOARD MEETING

Motion by Mr. Sowerby, supported by Mr. Reynolds, to approve the minutes of the January 11th, 2016 Regular Township Board Meeting as submitted. Roll Call: Ayes – Sowerby, Reynolds, Gielegghem, Pearl, Cannon, West, Meltzer. Nays – None. Absent – None. Motion carried.

APPROVAL OF BILLS

Motion by Mr. Reynolds, supported by Mr. Sowerby, to approve the bills as presented. Roll Call: Ayes – Reynolds, Sowerby, Gielegghem, Pearl, Cannon, West, Meltzer. Nays – None. Absent – None. Motion carried.

PUBLIC COMMENTS

There were no public comments.

ADJOURNMENT

Motion by Mr. Reynolds, supported by Ms. West, to adjourn the meeting. Roll Call: Ayes – Reynolds, West, Gielegghem, Pearl, Cannon, Sowerby, Meltzer. Nays - None. Absent – None. Motion carried. The meeting adjourned at 8:11 p.m.

Respectfully submitted,

KIM MELTZER, CLERK
CHARTER TOWNSHIP OF CLINTON