

CHARTER TOWNSHIP OF CLINTON
REGULAR MEETING OF THE BOARD OF TRUSTEES
MONDAY, JULY 23RD, 2018

PRESENT:	ROBERT J. CANNON	SUPERVISOR
	KIM MELTZER	CLERK
	PAUL GIELEGHEM	TREASURER
	JOE A. ARAGONA	TRUSTEE
	MIKE KEYS	TRUSTEE
	KENNETH PEARL	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 stated there are four deletions to tonight's agenda:

7. Bid Award – Fire Rescue Boat
9. Bid Award of District A Sewer Project
10. Work Scope Change for Zone 8 & 10 CIPP Lining Project
21. Request Closed Session to Discuss Litigation

Ms. Meltzer stated there are six additions to tonight's agenda:

19. Request Approval for Outdoor Patio Expansion for Freddy's Bar
20. Report by Township Attorney Regarding Carlo Santia
22. Approval of Appointment to Utility Worker Position – Public Services
23. Request Approval of SDD Liquor License Transfer – Clinton Convenience, 41050 Garfield Road
24. Budget Transfer Request
25. Presentation of a Check for a LUCAS 3 CPR Machine

Mr. Cannon requested that Item #25 be moved to Item #1a.

Motion by Mr. Pearl, supported by Mr. Keys, to approve tonight's agenda with the addition of Items #19, #20, #22, #23, #24 and #25, the deletion of Items #7, #9, #10 and #21, and moving Item #25 to Item #1a. Roll Call: Ayes – Pearl, Keys, West, Cannon, Aragona, Gielegem, Meltzer. Nays – None. Absent – None. Motion carried.

PUBLIC SERVICE ANNOUNCEMENTS

Mr. Cannon stated he would like to clarify some false information that residents have been receiving in the mail from other residents regarding the upcoming millage renewal. He stated the current millage, which voters approved in the past to provide the current level of police and fire protection. Legally the ballot is required to state that they are requesting an increase, but it is in fact a renewal, and the ballot also provides this fact. He informed that today the Township has 93 police officers and 67 firefighters that the citizens of Clinton Township voted for in the past and was the recommendation of the Citizen's Committee. He clarified that this request, which is not an increase but a renewal, will allow the Township to maintain the staffing level, even as calls for public safety continue to increase. He added that if the voters do not approve this renewal, reduction of staffing will need to occur in both departments. He was aware that many of his fellow Board members use social media extensively and he challenged them to help properly inform the voters as to the facts, and not the fiction and lies that others are sending in the mail and by robocalls to some residents. He asked voters to be properly informed of the ballot proposals, and more information can be found on the homepage of the Township's website or by calling his office.

1a. PRESENTATION OF A CHECK FOR A LUCAS 3 CPR MACHINE

Ms. Carol Barker, 38320 Maple Drive, Clinton Township, Michigan 48038, stated she lives diagonally across the street from Fire Station #3. She explained she represented the Clinton Township North Kiwanis Club at the Fire/Police ball game last week, and her Kiwanis Club presented a check to the Fire Department for a Lucas 3 CPR machine. She found out more about it, and indicated Ms. Lori Stillwell, a very active Kiwanis member, raised money for a second machine and is working to raise money for a third machine. Ms. Barker stated her chapter donated the fourth machine, and that leaves one fire station without one of the machines. She stated she was six years old when she was diagnosed with heart problems, and since that time, she has had a heart valve replaced twice, a pacemaker/defibrillator, and suffers from several heart conditions, so she is well aware of the importance of a machine such as the Lucas 3 CPR machine. She expressed concern that with the purchase of the four machines, it still leaves one station without a machine, and she felt everyone deserves to have that machine handy to them. Ms. Barker presented a personal check to Mr. Cannon, made out to the Clinton Township Fire Department, so the fifth Lucas 3 CPR machine can be purchased.

Mr. Cannon stated on behalf of the entire Township Board and a very grateful community, he is pleased to accept the generous check in the amount of \$16,000. He thanked her for her very nice gift to the Township.

Motion by Mr. Pearl, supported by Ms. West, to receive the check from Ms. Carol Barker in the amount of \$16,000 for the purchase of a Lucas 3 CPR machine by the Clinton Township Fire Department. Roll Call: Ayes – Pearl, West, Keys, Cannon, Aragona, Gielegem, Meltzer. Nays – None. Absent – None. Motion carried.

1. REQUEST TO HOLD QUINN ROAD COMMUNITY WALK

Mr. Cannon stated this is a nice event, and he was certain the Wounded Warriors will be very appreciative.

Ms. Meltzer agreed, noting there are a lot of very generous people in the Township.

Motion by Mr. Pearl, supported by Mr. Keys, to receive and file the letter dated July 10th, 2018 from Cordell Lucas, President of the Quinn Road Community Club, and approve the request to hold a Community Walk on Saturday, August 4th, 2018 in honor of the Wounded Warriors Project and in conjunction with the 34th Annual Quinn Road Community Picnic at Prince Drewry Park on Quinn Road. Discussion ensued.

Mr. Cannon stated there is another event that day involving a family who has rented the pavilion, but they know each other and have made arrangements to work around each other's schedules.

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

2. REQUEST APPROVAL FOR A PORTABLE TRAILER MOUNTED GENERATOR

Mr. Cannon stated this is good news that the hospital is expanding their operating rooms. They continue to have world-class facilities, doctors and nurses, and the Township is fortunate to have them in the middle of this community. He stated it will not be noisy and is not around any residential areas, and the only reason it is being brought before the Board is because of the duration of the request.

Motion by Mr. Pearl, supported by Ms. West, to receive and file the letter dated July 9th, 2018 from Mr. Gordon Graham, P.E., Project Manager, Henry Ford

Health System, and approve the placement of a portable trailer mounted generator at Henry Ford Macomb Hospital beginning in September of this year for a period of two years to allow utilization of their new operating rooms by the end of this year, as outlined in the correspondence. Roll Call: Ayes – Pearl, West, Keys, Cannon, Aragona, Gielegem, Meltzer. Nays – None. Absent – None. Motion carried.

3. INTRODUCTION OF APPOINTMENT APPLICANTS TO THE ECONOMIC DEVELOPMENT CORPORATION

Ms. Meltzer explained the applicant, Ms. Tiffany Taylor, was appointed to fill a short term on the Economic Development Corporation (EDC). She is seeking reappointment to the EDC to a term expiring July 10th, 2024. She confirmed that there were no other applications received.

Motion by Mr. Keys, supported by Ms. West, to receive and file the letter dated July 18th, 2018 from the Administrative Aide regarding the introduction of appointment applicant to the Economic Development Corporation. Roll Call: Ayes – Keys, West, Pearl, Cannon, Aragona, Gielegem, Meltzer. Nays – None. Absent – None. Motion carried.

4. INTRODUCTION OF APPOINTMENT APPLICANTS TO THE PLANNING COMMISSION

Ms. Kate Cherry, 35379 Lucinda, Clinton Township, Michigan 48035, resident of the Township for two years, explained she grew up in the area and spent the last 15 years working for non-profit planning and community development in the Detroit area for a variety of organizations. She served on the Hamtramck Planning Commission for a period of years and expressed an interest in urban planning, design and architecture. She is now in Clinton Township raising two children and is interested in contributing to the environment so they have a strong healthy community in which to grow. She hoped the Board will consider her for the position on the Planning Commission.

Mr. Mike Licavoli, resident of Clinton Township for 15 years, explained that he is a real estate broker working with large lenders, helping them dispose of their properties. He added a big part of his job is working with municipalities in southeast Michigan to assure compliance with their ordinances. He stated that, during the recent mortgage crisis, he was tasked with putting policies in place to get out of blight, and also work with the Neighborhood Stabilization Programs throughout communities in metro Detroit. He is currently a city member for the Board of Realtors Grievance and Ethics Board where they hear ethics complaints from both realtors and the general public and evaluate them. He stated he is invested in real estate and in Clinton Township and hopes the Board will consider him for the position on the Planning Commission.

Motion by Ms. West, supported by Mr. Keys, to receive and file the letter dated July 18th, 2018 from the Administrative Aide regarding the introduction of appointment applicants to the Planning Commission, as well as the introductions from Ms. Katherine Cherry and Mr. Michael Licavoli. Roll Call: Ayes – West, Keys, Pearl, Cannon, Aragona, Gielegghem, Meltzer. Nays – None. Absent – None. Motion carried.

5. APPOINTMENTS TO THE CULTURAL DIVERSITY COMMITTEE

Motion by Ms. Meltzer, supported by Mr. Keys, to receive and file the letter dated July 10th, 2018 from the Administrative Aide, and appoint Ms. Lisa Valerio-Nowc and Ms. Kate Brown to the Cultural Diversity Committee, with Ms. Valerio-Nowc's term to expire on November 30th, 2019, and Ms. Brown's term to expire on November 30th, 2018. Roll Call: Ayes – Meltzer, Keys, West, Pearl, Cannon, Aragona, Gielegghem. Nays – None. Absent – None. Motion carried.

6. APPROVAL OF 2017-2018 SCHOOL CROSSING GUARD INVOICES

Motion by Mr. Pearl, supported by Mr. Gielegghem, to receive and file the letter dated July 10th, 2018 from the Assistant Finance Director, and approve payment of the invoices from Chippewa Valley Schools and Clintondale Community Schools for crossing guards for the 2017-2018 school year in the amount of \$17,107.19 for Chippewa Valley Schools and \$13,837.55 for Clintondale Community Schools. Roll Call: Ayes – Pearl, Gielegghem, West, Keys, Cannon, Aragona, Meltzer. Nays – None. Absent – None. Motion carried.

7. BID AWARD – FIRE RESCUE BOAT

This item was deleted from tonight's agenda.

8. BID AWARD OF PRV PROJECT

Motion by Ms. West, supported by Mr. Gielegghem, to receive and file the letter dated July 18th, 2018 from Mr. Loren D. Crandell, PE, Partner, Giffels Webster, and award the Gratiot Water Main Pressure Reducing Station to DVM Utilities, Inc., the lowest responsive bidder, with a total bid of \$498,970.33, as outlined in the correspondence. Roll Call: Ayes – West, Gielegghem, Keys, Pearl, Cannon, Aragona, Meltzer. Nays – None. Absent – None. Motion carried.

9. BID AWARD OF DISTRICT A SEWER PROJECT

This item was deleted from tonight's agenda.

10. WORK SCOPE CHANGE FOR ZONE 8 & 10 CIPP LINING PROJECT

This item was deleted from tonight's agenda.

11. REQUEST APPROVAL OF GLWA CONTRACT AMENDMENT

Ms. Mary Bednar, Public Services Director, explained that the Township's current contract with the Great Lakes Water Authority (GLWA) has clauses which allow it to be opened every five years and they look at different water usages, etc. It is a long-term contract, but they have the opportunity to reopen every five years. This year was the Township's opportunity to reopen so they updated the contract to reflect the recently-billed PRV's so it is part of the agreement. They also looked at the maximum day usage and peak hour usage and made changes that she hoped will help the residents in the future with rate decreases coming forward.

Motion by Mr. Pearl, supported by Ms. Meltzer, to approve Amendment No. 3 to the Water Service Contract between Great Lakes Water Authority (GLWA) and the Charter Township of Clinton, as presented. Roll Call: Ayes – Pearl, Meltzer, West, Keys, Cannon, Aragona, Gieleghem. Nays – None. Absent – None. Motion carried.

12. ADOPT RESOLUTION #4 – SPECIAL ASSESSMENT PROJECT P-2018 ABELA STREET PAVING: SCHEDULE PUBLIC HEARING #2 ON THE ASSESSMENT ROLL

Motion by Ms. West, supported by Mr. Aragona, to adopt Resolution #4 – Special Assessment Project P-2018 Abela Street Paving, as presented, and to schedule Public Hearing #2 on the assessment roll for Monday, August 6th, 2018 at 6:30 p.m., Township Board Chambers, Clinton Township Civic Center. Roll Call: Ayes – West, Aragona, Keys, Pearl, Cannon, Gieleghem, Meltzer. Nays – None. Absent – None. Motion carried.

13. ADOPT RESOLUTION #4 – SPECIAL ASSESSMENT PROJECT P-2015 LAKEWOOD STREET PAVING: SCHEDULE PUBLIC HEARING #2 ON THE ASSESSMENT ROLL

Motion by Ms. Meltzer, supported by Ms. West, to adopt Resolution #4 – Special Assessment Project P-2015 Lakewood Street Paving, as presented, and to schedule Public Hearing #2 on the assessment roll for Monday, August 6th, 2018 at 6:30 p.m., Township Board Chambers, Clinton Township Civic Center. Roll Call: Ayes – Meltzer, West, Keys, Pearl, Cannon, Aragona, Gieleghem. Nays – None. Absent – None. Motion carried.

14. ADOPT RESOLUTION #4 – SPECIAL ASSESSMENT PROJECT P-2019 PICTON COURT PAVING: SCHEDULE PUBLIC HEARING #2 ON THE ASSESSMENT ROLL

Motion by Mr. Pearl, supported by Mr. Aragona, to adopt Resolution #4 – Special Assessment Project P-2019 Picton Court Paving, as presented, and to schedule Public Hearing #2 on the assessment roll for Monday, August 6th, 2018 at 6:30 p.m., Township Board Chambers, Clinton Township Civic Center. Roll Call: Ayes – Pearl, Aragona, West, Keys, Cannon, Gielegghem, Meltzer. Nays – None. Absent – None. Motion carried.

15. ADOPT RESOLUTION #4 – SPECIAL ASSESSMENT PROJECT P-2007 THORNTON STREET PAVING: SCHEDULE PUBLIC HEARING #2 ON THE ASSESSMENT ROLL

Motion by Mr. Gielegghem, supported by Mr. Aragona, to adopt Resolution #4 – Special Assessment Project P-2007 Thornton Street Paving, as presented, and to schedule Public Hearing #2 on the assessment roll for Monday, August 6th, 2018 at 6:30 p.m., Township Board Chambers, Clinton Township Civic Center. Roll Call: Ayes – Gielegghem, Aragona, West, Keys, Pearl, Cannon, Meltzer. Nays – None. Absent – None. Motion carried.

16. REQUEST RFP FOR CONSULTING ENGINEERING FIRM

Mr. Cannon explained that he had promised he would bring this back to the Board after Ms. Bednar got through the initial phase of the summer construction season. He indicated she is at that point where she can put in the proper time to prepare the Request for Proposal (RFP). He clarified this is a recommendation to direct Ms. Bednar to prepare the RFP for the Township consulting engineering firm.

Motion by Mr. Pearl, supported by Mr. Keys, to receive and file the letter dated July 10th, 2018 from the Township Supervisor, and direct the Public Services Director to prepare a Request for Proposal (RFP) for the Township consulting engineering firm. Discussion ensued.

Mr. Gielegghem stated they discussed this at the staff meeting and he clarified it is coming back to the Board at the next meeting or as soon as she is able to get it prepared.

Mr. Cannon confirmed it will come back to the Board so they can see it before it goes out.

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

17. REQUEST APPROVAL TO ATTEND MECHANICAL AND PLUMBING INSPECTOR'S ASSOCIATION CONFERENCE IN CLARE, MICHIGAN

Motion by Mr. Keys, supported by Ms. Meltzer, to receive and file the letter dated July 17th, 2018 from the Building Department Superintendent, and approve the request for the Plumbing Inspector, Mr. VanSlambrouke, to attend the Mechanical Inspectors Association of Michigan Conference in Clare, Michigan on September 20th and 21st, 2018, at an estimated cost of \$573. Discussion took place.

Ms. Meltzer inquired as to whether this is a budget amendment.

Mr. Barry Miller, Building Department Superintendent, replied there should not be a need for a budget amendment due to the fact that there were a couple of other budgeted conferences that they could not utilize.

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

18. APPROVE SALE OF THREE (3) TOWNSHIP-OWNED LOTS TO HABITAT FOR HUMANITY

Mr. Cannon commented that this is a life game-changer for the people qualified to get into these homes. He explained there are three lots that Mr. Gielegem will recommend being sold at a reasonable rate, so they can provide some people these very nice homes, as well as getting the property back on the tax roll.

Motion by Mr. Pearl, supported by Mr. Keys, to receive and file the letter from the Treasurer and concur with the recommendation of the Property Disposition Committee (fka Foreclosure Committee) to approve the sale of Township-owned lots to Macomb Habitat for Humanity to help support the partnership agreement between them, Clinton Township and the Chippewa Valley Dakota Build program, with the sale of the following lots at \$100 each: Parcel #16-11-12-330-024; #16-11-12-402-004; and #16-11-12-403-019. Roll Call: Ayes – Pearl, Keys, West, Cannon, Aragona, Gielegem, Meltzer. Nays – None. Absent – None. Motion carried.

19. REQUEST APPROVAL FOR OUTDOOR PATIO EXPANSION FOR FREDDY'S BAR

Mr. Miller explained that the owner of Freddy's Bar had approached Mr. Santia and him months ago to discuss expansion of the outside patio area during the construction because it made more sense to do it at that time. He noted the

outdoor seating area would be a little larger than it was before, and they have rearranged the entrances to and exits from the building to meet codes. He replied to inquiry that he has no objection to the proposed expansion. He confirmed that they have already applied for permits, and they will be adding the bollard protection within the walls, so it is not visible and will not take away from the appearance.

Motion by Ms. West, supported by Ms. Meltzer, to approve the outdoor patio expansion for Freddy's Bar & Grill, located at 40000 Garfield Road, as submitted. Discussion ensued.

Mr. Pearl explained that shopping center is being redone, and the owner indicated this was going to be done when he applied for some new signage. The Zoning Board of Appeals has given the owner a year to bring the sign into compliance because of his extensive work on the shopping center, noting there were issues with the height of the sign. He felt the owner is doing a great job redoing the shopping center, and he hoped they will redo the signs within the one-year period as well.

Mr. Keys stated it does not seem like there are any issues with this, but for a project like this, he would expect to receive a letter from the Building Department and/or Planning Department. He questioned what stage this project is at in terms of redevelopment.

Mr. Miller replied the Building Department has not issued the permit, but any time there is outdoor seating area, it has to come to the Township Board for approval. Since this is an expansion of what was already approved, they still have to adhere to the previous Board requirements for the outdoor seating area, such as closing the garage doors if they have a band playing. He assured the renovation will not affect any of the ingress/egress paths. Mr. Miller clarified he does not notify the Board of permits that get issued, but he brings forward to the Board the necessary components so he can issue the permits.

Ms. Meltzer stated the owner of Freddy's is also required to get approval from the State of Michigan Liquor Commission on these changes.

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

20. REPORT BY TOWNSHIP ATTORNEY REGARDING CARLO SANTIA

Mr. Dolan paraphrased his written report that was sent to all Township Board members. He noted each Board member also received a copy of the complaint that the attorney for Giffels Webster filed against Mr. Modi, Mr. Santia and some of their entities. Mr. Dolan explained he was tasked by the Township Board to

secure copies of the actual transcript of proceedings before the United States District Court in the case involving former Township Trustee Dean Reynolds. He obtained the testimony of Mr. Modi and the testimony of Mr. Santia, noting that Mr. Modi's testimony begins on Page 3 of the transcript and continues through Page 58, while Mr. Santia's testimony starts on Page 59 and continues through Page 102. He explained that, through the testimony, it is clear that Mr. Santia and Mr. Modi knew each other before there was contact by Mr. Modi on behalf of Giffels Webster with the Township seeking to secure engineering work. It is not clear from the testimony as to whether Mr. Modi and Mr. Santia had previous business dealings or whether Mr. Santia had actual work with Giffels Webster prior to this contact. Mr. Santia's testimony referred to Mr. Modi claiming he had \$25,000 available to use in efforts to try to secure the contract; however, upon direct examination, as well as cross examination, this amount was not brought up or explored. He noted that, because this is the U.S. Attorney's office and a criminal case, trying to prove facts to support their charges will not bring out all of the details because they are trying to convince the jury that the crimes they were seeking to prove were committed. He stated there was no doubt that Mr. Modi's ultimate goal, at the inception of his efforts, was to bid on and successfully obtain the engineering contract. He talked about how their initial contact was made at a Detroit Tiger's game when some of the elected officials at the Township had been invited to the game. He indicated the engineering firm was very interested in trying to acquire work from the Township. Mr. Dolan stated that, from the testimony, they cannot determine exactly when the notion of paying bribes and the notion of engaging in an effort to try to secure money to make bribe payments and to get reimbursement for political contributions began. He felt it was clear through the various testimony that motivations on the part of Mr. Modi to pay money to Mr. Reynolds were set out, and the first motive was to secure the contract. Mr. Modi thought that by paying money to Mr. Reynolds, he could increase the chances of Giffels Webster securing engineering work. The second motive that arose later was to try to smooth over an issue with the Township following an error in estimating a portion of the Administrative Consent Order Sanitary Project in the south end of the Township. He explained what occurred is that Giffels Webster had made some miscalculations and it turned out when the bids were received on the project, there was a significant difference between the original estimates and the actual bids. There were some concerns about the engineering work that had been done at that time. He noted the third motive discussed in the testimony is that Mr. Modi was hoping he could secure a pay increase on behalf of Giffels Webster, so there was an expectation of assistance on each of these issues, not all at once but in consecutive order, that was the motive that Mr. Modi gave for his payments to Mr. Reynolds. The U.S. Assistant Attorney referred to it as a "scheme" being perpetuated by Mr. Modi and Mr. Santia, with the amount of money and exactly when it started is not very clear, but the facts that come out from both the testimony of Mr. Modi and also from Mr. Santia is that billings would be submitted to Giffels Webster and would include work actually performed, related to engineering services, but in addition to that is

a further component of billing, where monies would be added to the bill with the intent that these monies would come back to mainly Mr. Modi, with some money going back to Mr. Santia. The intent was that these funds could be used to reimburse Mr. Modi for his various political donations he had made. It would also reimburse Mr. Modi for monies he had given to Mr. Reynolds. Mr. Santia testified that he was aware of this, and further testified that in some cases, the bills he submitted through his company were simply restatements of work that was performed by Mr. Modi's company, so he was not only securing monies for work that may not have been done, but also securing money for work that was done but that Mr. Modi did not want being divulged as having been done by his individual company. Mr. Santia was acting as a "pass-through", where Mr. Modi's company (in his wife's name) would do work, then instead of Mr. Modi's company submitting the bill to Giffels Webster, it would be given to Mr. Santia's company and he would ultimately submit the bill. If it was one of the situations where they were securing money, they might add on top of that. Mr. Dolan explained that Mr. Santia had a tax obligation on this money as it came back through his company, so Mr. Santia would take the money out for taxes and pass the net from that money back to Mr. Modi and/or Mr. Modi's wife's company. There will bills being submitted, some of it likely for work that was being performed, but other portions of the bills at various times were "padding", or submitting an amount for fees that were not actually earned that, in turn, were being used to reimburse for contributions that were political, which would be legitimate, or bribes, which would be a crime.

Mr. Dolan explained that, from the testimony, it was unclear who at Giffels Webster knew the nature and extent of what was going on, such as if Mr. Santia's company had been retained and, if so, when that occurred. Mr. Dolan had contact with Giffels Webster and spoke with Mr. Crandell, as well as their attorney, Mr. Broder. He stated Mr. Broder sent him a copy of the complaint, which he forwarded on to each of the Board members. He requested a copy of the actual invoices submitted by Mr. Santia's company, TEC (Traffic Engineering Consultants), so they could see what was billed, types of services being billed, what they were called and the amount on each bill. He indicated at that time that they did not want to furnish them, and he had been in consultation with his attorney. He believed the billings occurred between 2011 to 2014 and indicated it represented a substantial amount of money, but he would not be more specific and relay how much. He asked if any of this involved work related to Clinton Township, to which Mr. Crandell indicated it did not relate to Clinton Township work. According to Mr. Crandell, the billing of clients and sub-contract work on behalf of clients being done by Mr. Santia's company, TEC, at no time involved any sub-contract work for Clinton Township. Mr. Dolan consulted with Ms. Mary Bednar, who most likely has more knowledge than anyone else at the Township regarding the formatting of the bills received by Giffels Webster and the structure of the contracts for which those bills pertain. Ms. Bednar had pointed out that most of the engineering work done in the Township, for which consulting

engineers are paid, involves a percentage based on the contractual arrangement they have with all of their consulting engineers, not only Giffels Webster. He cited the example of a water project where consulting engineering work is needed, possibly design, contract administration, etc., and explained the Township's contract calls for a percentage of the bid price to be paid to the engineer. Whether the engineering firm uses a sub-contractor or does not use a sub-contractor, that amount that the Township has to pay remains stable for that project. In continued discussions with Mr. Crandell, he advised Mr. Dolan that Mr. Scott Klein, one of the other engineering partners at Giffels Webster, had been advised by Mr. Modi that TEC, their sub-contractor, involved Mr. Santia. Mr. Klein was supposedly told by Mr. Modi that Clinton Township was aware of that and was satisfied that Mr. Santia was doing sub-contract work for Giffels Webster. Mr. Dolan stated that, at a later point in time, he received an email update from Mr. Broder, attorney for Giffels Webster, indicating that, to the best of Giffels Webster's knowledge, this process of TEC billing Giffels Webster occurred on thirteen projects over a three-and-a-half-year period, with approximately twenty-three bills being submitted. He also indicated that on each one of these projects, Mr. Paul Modi was the project manager or that he directed that the project manager approve payment on these bills as they were submitted.

Mr. Dolan explained he tried to focus in on a much larger way the participation Mr. Santia had in Township projects and his relationship with the Township. He pointed out that Mr. Santia served on the Budget/Ways & Means Committee and the Sanitary Sewer Review Committee. On the first occasion where Giffels Webster was retained, he was also on a sub-committee that had been created, which was fairly large in membership and included Ms. Bednar as a non-elected official, with regard to the selection of the consulting engineer. He stated there is no question that Mr. Santia offered opinions that could affect different projects as he served in those roles. He suggested what they can do, is gather information internally to avoid the cost of having an investigator do it. He indicated they can gather minutes from the Sanitary Review Committee, from Budget/Ways & Means Committee, as directed over the last five years, to see if there are any issues that involve potential expenditures by the Township on projects or in selecting some vendor in which Mr. Santia seemed to play a significant role. He also looked at Zoning Board of Appeals and Planning Department decisions. Mr. Santia, in his role as Director of Planning and Community Development, was the top official at the Township with regard to the administrative relationship between the Township and these boards. He explained the Township's Board of Appeals grants variances, and Planning Commission approves Special Land Use, which is a discretionary decision. The Planning Commission also recommends on rezonings and the Township Board ultimately makes decisions on both rezoning and Special Land Use requests. He suggested using the Township's own resources to go back through and see whether decisions have been made involving business entities, and possibly question the businesses to see if they have had any external relationships with TEC, Mr. Santia's company, or Mr.

Santia. Mr. Dolan explained the last area is consultant selection. He knows one of the big items they have had over the last several years was work on the Master Plan, and he had information that Community Planning and Management, an outside consulting firm, did most of the work on that plan. Mr. Dolan reached out to Mr. Patrick Meagher, who is now the Planning Director in Macomb Township, and spoke to him to ask him about his relationship with Mr. Santia. He indicated that he had not hired Mr. Santia, and Mr. Santia had not hired him, and they had not had previous involvement between each other. He recalled one project in Oakland County where he was hired independent from Mr. Santia, and Mr. Santia's firm was hired for a development in Oakland County, but that was his only recollection with his involvement with Mr. Santia in Mr. Santia's private role with TEC.

Mr. Dolan stated the final item would be Giffels Webster's sub-contracts with Clinton Township. Giffels Webster has indicated that, to the best of their knowledge, there was no involvement on the part of TEC regarding any work performed in Clinton Township in the role of sub-contractor, nor was there any involvement on the part of Mr. Modi's company, through his wife. Ms. Bednar indicated that Clinton Township would get notification in the contract that a sub-contractor may be used, and the price would be stated, but the actual sub-contractor is not always identified in the information the Township receives from Giffels Webster. If the Township chooses, they can try to go back and look, and he suggested if they do so, he would do it starting with time and material, because if it is on a percentage project, there is not going to be any financial harm to the Township because they are paying a percentage, regardless of what the sub-contractor may be charging. They could do it to try to identify the sub-contractors so they have a name attached to the fact that there was some contract work. They would be looking for any relationship. Mr. Dolan explained the next item they looked at were expenditures by the Township, and an internal review has been conducted by the Township's Finance Department. He stated there is no evidence of any payments to Mr. Santia's company, TEC, or to Mr. Modi's wife's company, SAI. Mr. Dolan stated he spoke at length with Mr. Herrington of Plante Moran and reviewed the Township's department mechanisms, noting they have a lot of controls with receipt of funds. The only funds that would have made it to the Planning Department would have been the application funds for rezoning, special land use, site plans, etc., and those are all checks written directly to the Township. They go through the Finance Department and are deposited. He pointed out this is not like many other situations where there are some claims of fraud or embezzlement where the person who is the subject of the investigation has check-writing and money-control authority. In this situation, there was no authority that Mr. Santia had to go to a bank or write checks, or to receive money and endorse checks, create new accounts, etc. He explained that, based on this information, he and Mr. Herrington both feel that engaging a forensic auditor is not a wise thing to do at this point because they do not have any reason to bring in an expensive forensic

auditor when there is nothing to audit. He reiterated they know how the Township handles its receipt of funds and have no suspicion that there is any diversion based on the information they have. On July 10th, he spoke to the Mr. Bullotta, one of the Assistant U.S. Attorneys to try the case against Mr. Reynolds, and he asked Mr. Bullotta specifically if he was aware of any harm caused to the Township based on his knowledge of the investigation that has occurred relative to the entire Reynold's disposition. Mr. Bullotta stated no.

Mr. Dolan stated he was charged with brining to the Board three potential investigators, and he summarized the following:

1. John D. Gifford & Associates. Mr. Dolan explained he previously worked with Mr. Gifford, an ex-FBI agent and used by Mr. David Grimm, who was a former Macomb County Assistant Prosecutor, former Assistant U.S. Attorney, former City of Warren attorney, and Mr. Dolan felt he is highly qualified with a high degree of competence.
2. William Kowalski. Mr. Dolan explained Mr. Kowalski is with the Rehmann Group, a large accounting firm. The "arm" of the accounting firm he runs involves a lot of security and corporate investigative work. He is also an ex-FBI agent who served many years with the FBI. He added that other members of their group have worked with the FBI, and he worked on issues surrounding the recent events of the Michigan State University and their gymnastic program.
3. Scott Lewis. Mr. Dolan explained that Mr. Lewis had been an investigative reporter for WDIV TV and was highly rated on Angie's List, an independent organization that does ratings of different service providers. There was some client feedback on Mr. Lewis that he can obtain, and Mr. Dolan added he is aware of him and some of the work he has done.

Mr. Dolan read his three conclusions, as follows:

1. At the present time, based on his investigations, he found no evidence of any financial harm caused to the Township, meaning no monies were diverted from the Township and no fees were paid that were not earned to date.
2. It appears the potential exists, unless changes are made, for apparent and perceived conflicts of interest to exist undetected in the Township. Persons who are engaged in outside employment and are employed by the Township should reveal their outside employment. When concerns or matters come before these individuals or where they have participation in decision-making, that should be revealed. There are some standards in some of the Township contracts, all negotiated, but in some cases, it is up to the employee, under their own volition, bring forth what they think might be a conflict. He felt revealing outside employment in all cases, regardless of contract and whether or not there is conflict, is a good process the Township should consider having. He indicated these matters must be addressed by the Township's Human Resources Department.

- Most of the employees are under collective bargaining agreements and these matters may be subject to negotiation with the different unions. He believed if they have a clear revelation of outside employment, it provides a greater transparency and a sense of forthcoming to the public they serve.
3. He believed some additional investigation can and should be done. A “balancing of interests” is required, but they need to remember that they are not the FBI, and any investigator the Township retains does not have the same ability to reach out and get evidence. They do not have the ability to get court orders or search warrants. They cannot seek a grand jury to bring witnesses in and put them under oath. They cannot face problems with lack of cooperation or honest disclosure. He felt before they retain a third party, they should try to use their own resources to gather some of the information, so they can have a more efficient, productive and less costly investigation.

Mr. Dolan stated that concludes his report, and he offered to answer questions.

Mr. Cannon thanked Mr. Dolan for his professional presentation of his thorough report.

Mr. Gielegghem thanked Mr. Dolan for his report, and he appreciated Mr. Dolan being in contact with him through this. He recalled a debate on this item at the last Board meeting, and he felt they are getting close to some agreement. He felt the testimony revealed a lot to the Board that they have a duty and responsibility to investigate this and bring in an outside source. He understands this is a long and difficult process of obtaining information, and there are several roadblocks. He stated one of the things they know is that Mr. Reynolds was accepting bribes from the engineering firm, the towing contractor and the waste-hauler, and they now know that Mr. Santia was assisting in trying to provide a reimbursement vehicle for the person from the engineering firm.

Mr. Dolan replied that the testimony revealed Mr. Santia received funds which he then turned over to Mr. Modi. Mr. Santia was present in some meetings where Mr. Reynolds’ request for monies was the topic of discussion.

Mr. Gielegghem stated Mr. Santia was involved with a lot of things in the Township, and the Board as a whole, relied on his recommendations in a lot of areas.

Mr. Dolan replied to inquiry he agreed with that statement.

Mr. Gielegghem referred to Sections B & C in Mr. Dolan’s report, quoting the part stating “Mr. Santia, in his capacity as planner, would be likely perceived by applicants as having some ability to potentially influence favorable or unfavorable matters pending before the Planning Commission and the Zoning Board of

Appeals.” He noted this would include site plan approval, rezoning approval, special land use approval, variances before the Zoning Board of Appeals, and he understood that Mr. Dolan believes those should be reviewed.

Mr. Dolan replied to inquiry that is correct.

Mr. Gielegghem questioned whether Mr. Dolan has come across anyone internally who was aware that Mr. Santia was operating a side business and doing consulting work.

Mr. Dolan questioned whether Mr. Gielegghem was referring to any Township employees.

Mr. Gielegghem replied affirmatively.

Mr. Dolan replied he has not, but he clarified that he has not approached department heads and asked them those questions.

Mr. Gielegghem questioned whether the engineering firm revealed to Mr. Dolan that they were aware Mr. Santia had a separate consulting firm and they were aware of some of the projects he was doing outside of Clinton Township but with people who could potentially have been doing business with Clinton Township.

Mr. Dolan replied two people at the engineering firm, Mr. Klein and Mr. Modi, were aware of Giffels Webster doing work with Mr. Santia and that Mr. Santia was part of Clinton Township.

Mr. Gielegghem stated while he is not an attorney but understands Giffels Webster is in the process of initiating a lawsuit against Mr. Modi, Mr. Modi’s wife and her company, and Mr. Santia and his company.

Mr. Dolan confirmed there is an actual lawsuit that has been filed.

Mr. Gielegghem apologized that he did not receive this report until late today so he has not fully reviewed it, but he did notice that part of that lawsuit is asking the court to “pierce the corporate veil” for Mr. Modi’s company and Mr. Santia’s company. He requested confirmation on this.

Mr. Dolan replied that is correct.

Mr. Gielegghem questioned whether it would then become public information as to whom Mr. Santia was working for.

Mr. Dolan replied that, in the context of that lawsuit, it may become part of the information revealed in that lawsuit, but whether it becomes public is a different

question. If it is in pleading form and filed with the court, it will be a public document, but if it remains in a deposition, they can move to have it sealed with the court, so it is not known at this point if it will be revealed.

Mr. Gielegghem questioned whether information in piecing the corporate veil would be integral to any type of investigation because that is the only way the Township will know what was happening with Township contractors and things that were approved by the Township that might be in common with companies paying for work being performed by Mr. Santia's company or Mr. Modi's company.

Mr. Dolan felt Mr. Gielegghem is making the assumption that if they pierce the corporate veil, and they get an opportunity to get records from Mr. Santia, they would be personal records as well as the records of his company. He assumed that Mr. Gielegghem is saying is that once Mr. Santia's company receives funds, they then get dispersed to him, and he is suggesting they would look at his personal records. The Township would have to be doing that in the context of some litigation that would permit them to do so.

Mr. Gielegghem clarified that he would like to know who was hiring Mr. Santia's company and the companies, if any, that are in common with the recommendations Mr. Santia was making to the Board.

Mr. Dolan explained he is recommending the Township look at companies that had matters before the Township. At this point, they can ask these companies if they had a business relationship at some point in time with Mr. Santia. He stated he has already done that in context of Mr. Meagher and asked about any history of business relationship, which he has denied. If they had Mr. Santia's records, it would be another area to look at, but as far as the Township getting those records, some type of action would most likely have to be commenced and he is not sure the Township has a basis to do so at this point. They do not have any harm to the Township at this time that they can point to from his actions. He cautioned the Township would have to have something as a basis to move in that direction.

Mr. Gielegghem stated they do have a lawsuit between their current engineering firm and that engineering firm denied providing the Township with the information they have. He questioned whether that information could potentially become public as part of a lawsuit.

Mr. Dolan replied that is correct and agreed that at some point they may provide the Township with that information. They do not want to give it to the Township at this time, and he does not know whether they will provide copies of the invoices they have asked for in the future.

Motion by Mr. Gielegem, supported by Mr. Pearl, to direct the Township Attorney to engage the three outside firms to which he referred in his report, and ask them as to their thoughts on what the scope of an investigation should be, and what they believe the cost structure of that investigation would be to the Township. Discussion ensued.

Mr. Dolan stated he will meet with each of them to discuss it.

Mr. Keys questioned whether Mr. Dolan will compile the information he has identified in his report as being necessary to form the budget for such an investigation, in terms of witnesses and other related costs.

Mr. Dolan replied that if this motion passes, he will review, in some detail, the contents of his report through a discussion with each of the three entities he recommended and try to come back to the Board with information as to their fees and charges. He mentioned that these entities may have some additional points of view on the investigation that he can also share with the Board at that time.

Ms. Meltzer questioned whether there was a discussion on a cost cap.

Mr. Cannon stated that there was, but he is in total agreement with what Mr. Gielegem is requesting at this time. He explained he wants the investigation and wants to know what it will cost, as well as what resources they would use from the inside and the resources they would use from the outside.

Mr. Sam Bushell, 18546 Whalen Drive, Clinton Township, Michigan 48035, felt if Mr. Modi started out with \$25,000 that he initially had for bribes, and he was able to talk to Mr. Santia, he felt this was not the first time Mr. Modi would have talked to someone about something like this. He felt that \$25,000 was to get the contract from Clinton Township, so he felt it was padded into all the contracts. He noted that Giffels Webster does not want to give the information to the Township, yet they had a three-year relationship with Mr. Santia's contracting company. He commented that, since the \$25,000 was offered to get Clinton Township's work, he felt fairly certain that Clinton Township took the hit for at least that amount.

Mr. Dolan clarified that the transcripts of the testimony will be public record, and anyone can get them. He explained the difficulty is that the testimony does not match up when reading what was paid to Mr. Reynolds at different times versus the \$25,000. He stated the U.S. Attorney wanted to prove his case and was not there to make sure there was a clear record of what Mr. Modi had at one point and whether he actually paid out money that equated to that amount.

Mr. Bushell pointed out that Mr. Modi had testified that he started with \$25,000 to start to get taxpayer money from Clinton Township. He felt that meant the bills from Giffels Webster had to be padded, and that Mr. Modi was the one doing the padding and working on both sides.

Mr. Bob Hogan, 36755 Barr Street, Clinton Township, Michigan 48035, questioned whether the transcript from the testimony will be on the Township's website.

Mr. Dolan held up the thick transcript and explained how obtaining these transcripts works in federal court. He explained that the sooner a transcript is requested, the more expensive it is. In order to get a transcript right away, they must work through the actual court reporters. Once the transcript goes through a process set up in the federal court system, where they must send it to the parties and their attorneys to review and sign off, it will eventually get to a point where they can obtain a copy of the transcript for 8 cents a page; however, it generally takes between 60 to 90 days to get to that point. The Township wanted to obtain it quicker, so they purchased it at a higher cost.

Mr. Hogan argued that it will not cost anything to put it on the website.

Mr. Dolan noted it is 103 pages and is not sure whether they will be on the website.

Mr. Cannon stated the Township's IT Director can determine how feasible that would be to put it on the website.

Mr. Dolan stated if Mr. Hogan wants to come to his office, he assured he would be glad to show the record to him. He noted it is a matter of public record.

Mr. Hogan stated he would like to review it. He inquired as to whether Mr. Dolan's executive summary will be available on the website.

Mr. Cannon replied affirmatively, noting the seven-page report is part of tonight's agenda.

Mr. Keys appreciated Mr. Hogan bringing up that question because it is something he wanted to make sure will be on the website, adding it is not currently a part of their packet. He did not know that the entire transcript needs to be included, but he appreciated the Board's willingness to post the conclusion documents. He also appreciated the Board being willing to move forward with this, noting they fought hard and had a long discussion at the last Board meeting about how to approach this. He commented that reading the transcript was "eye-opening" and was an opportunity to learn about what can be done better in this

community. He appreciated the Board being open during this process and added that he will be supporting the motion.

Mr. Pearl thanked Mr. Dolan for putting this together in thirty days as requested and not delaying it. He agreed with Mr. Keys that the testimony was “eye-opening”.

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

21. REQUEST CLOSED SESSION TO DISCUSS LITIGATION

This item was deleted from tonight’s agenda.

22. APPROVAL OF APPOINTMENT TO UTILITY WORKER POSITION – PUBLIC SERVICES

Motion by Ms. West, supported by Mr. Keys, to receive and file the letter dated July 19th, 2018 from the Human Resources Director, and appoint Mr. Ryan Schafer to the budgeted position of Utility Worker in the Water & Sewer Division, Department of Public Services, at a starting annual salary of \$41,288, as specified in the UAW Local 412, Unit 76 collective bargaining agreement, with a start date of August 1st, 2018, subject to successful completion of a background investigation and pre-employment medical examination, including drug screen. Roll Call: Ayes – West, Keys, Pearl, Cannon, Aragona, Gielegem, Meltzer. Nays – None. Absent – None. Motion carried.

23. REQUEST APPROVAL OF SDD LIQUOR LICENSE TRANSFER – CLINTON CONVENIENCE, 41050 GARFIELD ROAD

Ms. Meltzer explained this is a request for transfer of an SDD license, which is different than an SDM license. She clarified that SDM licenses are for beer and wine, and SDD license are for liquor. She stated there have been no problems with this business. They had previously requested permission for the SDM license, and there have been no complaints or reports from the Police Department that there are any problems. Ms. Meltzer pointed out there is a slightly different look to the application and back-up information, and that is because they are now using LaserFiche forms and business processes for handling these requests. She expressed appreciation to Ms. Stephanie Cheung for her work in this area.

Motion by Mr. Keys, supported by Ms. West, to receive and file the letter dated July 19th, 2018 from the Township Clerk, and approve the request for an SDD Liquor License Transfer for Clinton Convenience, Inc., located at 41050 Garfield Road, Clinton Township, Michigan 48038. Roll Call: Ayes – Keys, West, Pearl,

Cannon, Aragona, Gielegem, Meltzer. Nays – None. Absent – None. Motion carried.

24. BUDGET TRANSFER REQUEST

Mr. Cannon believed this is necessary due to the misinformation that has been sent to many of the Township's homeowners.

Ms. Meltzer felt it may not be in the Township taxpayer's best interest to mail to households that do not have registered voters. She recommended they may want to utilize the information they can pull from, possibly the Qualified Voter File, to limit the mailing to mailings to households with registered voters. She further suggested they may want to consider mailing only to the absentee voters at this time and, as the election date draws closer, they can mail to poll voters.

Mr. Cannon felt they are pressed for time to get this information out.

Ms. Meltzer stated they have time, but wanted to recommend they sent it to households. She noted the language states to mail to "all households in Clinton Township".

Mr. Cannon replied that is what Mr. Perpich, Director of Community Relations and Media Services, recommended, but he assured that Mr. Perpich will work with Ms. Meltzer on it.

Ms. Meltzer also noted there is a bulk permit she would like to discuss with the Township attorney.

Mr. Sam Bushell, 18546 Whalen Drive, Clinton Township, Michigan 48035, cautioned the Board to be careful about election laws when considering a mailing, especially when the group promoting the passage of the fire and police millage is currently under investigation for using a Fire Department facility to promote it.

Both Ms. Meltzer and Mr. Cannon emphasized they would not be asking for a "yes" or "no" vote, and Mr. Cannon added that Mr. Bushell's point is well-taken. He clarified the complaint filed against the Fire Department is very minor, if it is even legitimate.

Ms. Meltzer felt they should be more flexible in how the motion is worded.

Mr. Cannon stated he would be willing to have Ms. Meltzer work with Mr. Perpich on determining who will be included in the mailings.

Motion by Ms. Meltzer, supported by Mr. Pearl, to receive and file the letter dated July 23rd, 2018 from the Township Supervisor, and approve a budget transfer of \$9,699.50 from the Supervisor's Office budget to the Community Relations and Media Services Department budget for payment of six (6) ads in the C & G News Clinton Chronicle, and a budget transfer not to exceed \$15,000 from the Supervisor's budget to the Community Relations and Media Services Department budget to be used to send a one-page mailing to households in Clinton Township, with the ads and the mailings to contain information about the police and fire millage renewals on the August 7th, 2018 ballot; further, that the attorney will review these publications/mailings to assure the Township is not violating any laws; further, that the Clerk be directed to work with the Community Relations and Media Services Director to determine the most cost-effective method of mailing to all households versus mailing to households with registered voters. Discussion ensued.

Mr. Gieleghem stated this was mentioned at the staff meeting that there would be a budget amendment proposed. This afternoon he looked at the letter, which basically said that there was a large discussion this morning about the misinformation coming out from a group calling themselves the "Taxpayer's Alliance" or something similar. He stated he receives these mailings because he is a registered voter, and he felt they are also targeting their message to the voters in the Township. He agreed it contained a lot of misleading information, indicating the police and fire millages are "new taxes", to which he clarified are renewals and not new taxes. Dollars that the departments currently rely on, along with dollars previously approved by voters, are up for reauthorization so the Township can continue to have those dollars and use them. In 2013, the Board told the voters they did not think they can get the numbers in the Police and Fire Departments back up to where they were at their highest peak, but they could get them to what they felt were manageable levels, which amounted to 93 police officers and 67 firefighters (when considering suppression). He explained this is an issue the Board voted to put on the ballot, so it is a question the voters now get to decide. The Board voted 7-0 to put that issue on the ballot, but it is the voters' turn. He admitted election law is very particular, and he agreed the Township would have to be very careful about the language they use, making sure they do not encourage people to vote for or against, but would be putting competing information out for the community to know. Mr. Gieleghem questioned the recommendation that this be targeted specifically to registered voters, which he felt reveals the undercurrent, and that the Township is trying to influence voters and use taxpayer dollars to do so. He felt this is an inappropriate use of general fund dollars. He assured he wants to combat the misinformation, so he claims he "put his money where his mouth is", and he, along with Trustees Keys and West, purchased their own ad using the campaign funds they raised to do this the right way. He stated they expressed what they support and what they do not support and using the money they raised for their campaigns is how he felt it should be done. He encouraged other members of

the Board to put their campaign funds, some of which he claimed have a “huge war chest”, to purchase their own ads versus using taxpayer dollars.

Ms. Meltzer questioned how Mr. Gielegghem, Mr. Keys and Ms. West have constructed their ad and whether it is political. She noted the Board has not seen this ad. She clarified the response regarding mailing this information to a specific list is based on where the original misinformation was targeted, and she assured the Township is only providing truthful information to those who received the false information.

Mr. Keys inquired as to how they know the misinformation was sent only to registered voters.

Ms. Meltzer felt the person sending it out is targeting voters, urging them to “vote no”. She felt the target audience is very obvious.

Mr. Cannon explained the reason he mentioned Mr. Perpich is looking at it is because it may be cheaper to send to all households, because of the 44,000 households in the Township, only 1,400 do not have voters listed. He noted it may be cheaper to mail to all households. In the past, when they have had any millage question, he claimed they have always had the ability to put the same information into a brochure that was sent to every home, and that was done through the Township newsletter. Extensive information was put in that newsletter to make sure every homeowner had all the information about any ballot proposal put out, both successful and unsuccessful. He explained they always had the Township attorney review the content to be sure that it is content-neutral, as they will do this time, to make sure they present facts to homeowners who end up voting. He believed this is very necessary, and admitted he originally thought about paying for this himself, but he felt it would be a bit unfair to ask him to spend \$25,000. He reiterated his feeling that this is a very necessary thing to do.

Ms. Meltzer did not feel it would be that much money, but agreed it is important. She felt this is no different than any other information, and if that is the way information from the Township is relayed, the motion should reflect this.

Mr. Pearl agreed with the motion change, but felt Mr. Gielegghem is right.

Ms. Meltzer did not feel Mr. Gielegghem is right, and she questioned whether what they are putting out is political.

Mr. Cannon stated that is irrelevant and the matter being discussed tonight is whether to approve money to be taken out of the Supervisor’s budget to inform residents what is on the ballot in regard to the police and fire millage.

Mr. Gielegem noted it was previously stated this is a “normal thing” and they always put information out about all of the millages that come before the Township; however, he pointed out these are not the only two millages that are before the Township, and he reminded there are three millages that the Township has voted to put out for vote. He indicated he voted against the road tax, which is not a renewal but an increase, unlike the police and fire proposals. If it is true that they are informing the community and voters about these issues, he questioned why they are only providing information on police and fire and not informing them about the road issue.

Mr. Cannon clarified that police and fire are essential services, and it would be devastating to the community if these two do not pass. He agreed roads are very important to Clinton Township, Macomb County and the entire southeast Michigan, and they are not being addressed properly, so they are giving voters an opportunity, if they so choose, to raise their taxes. He stated the millage for roads would be a tax increase, unlike police and fire, which are not tax increases. He is emphasizing the public services, which are not increases.

Mr. Dolan explained what is extremely troubling as this issue is unfolding has been the material placed in the public domain that is suggesting the Township is dealing with police and fire increases and give the impression to the public that the Township is significantly increasing these amounts, creating a huge new tax burden on the public for police and fire. In some communities, this has been catastrophic, where this completely and erroneous misinformation is circulated and there is no clarification as to what is really occurring. He clarified that when a renewal is voted on, it is a millage which will expire. Once that millage expires, there is no millage and it is gone, so the ballot refers to an “increase” because it is proposed to “increase” back to what the millage was before it expired. He stated that is why it is called a “renewal”. These individuals who like to try to provide this incorrect information refer to it as “a big tax increase”, but what is occurring is the millage is expiring and dropping off, and the Township needs to put it back to where it was; otherwise, there will be a catastrophic change that they cannot afford regarding police and fire services. He commented that Clinton Township is not the first community where this type of information has been promoted and distributed in a very wide way to disrupt police and fire services. He clarified that is at the heart of what is occurring, and there is an extreme amount of appropriate concern that the public is being told that this is a significant increase of the millage rate, when in reality they are replacing a millage that is going to drop off.

Mr. Bushell felt this appears as though they are meddling in the election when they talk about sending it only to absentee ballot voters first, then sending it out to the poll voters after that. He cautioned if they do not want it challenged, they will need to send it to everyone. He indicated he received false information on this that he claimed was sent out by the Fire

Department, and that mailing was sent to every household in Clinton Township, not just registered voters.

Mr. Bob Hogan, 36755 Barr Street, Clinton Township, Michigan 48035, questioned the advantage to this Macomb address putting out this information.

Mr. Cannon stated they have no idea, and he indicated Mr. Hogan would have to call the perpetrators to get that answer.

Mr. Hogan questioned what will occur if the police and fire millage is not approved.

Mr. Cannon responded that the Township has not yet discussed that, but he knows if the renewal is not approved, there will be reductions in both departments. He replied to further inquiry it may not take effect immediately, but they will start talking. They had a problem years ago where the Police Department stopped replacing employees as they retired, and their staff went down dramatically and drastically. When looking at the Fire Department's budget, they had to lay off 19 firefighters, which he claimed was one of the worst things the Board has ever had to do in this community. He explained they were fortunate shortly after that to get a grant that brought 12 of those firefighters back immediately. Mr. Cannon stated the Fire Department has more runs every single day and pointed out this community is aging. They do a lot of EMS work and save a lot of lives, including the lives that will be saved by the generosity of the resident who donated the new equipment this evening. The Township has the expertise to get the trained people to the residents and to administer with that type of equipment and lifesaving tools they have. He assured they are only trying to maintain.

Mr. Hogan stated he applauds the resident who made that very generous donation to the Fire Department. He questioned the political signs and inquired as to whether they are allowed.

Mr. Cannon replied the political signs are allowed on private property but are not allowed in the road right-of-way. They can put up the signs on other parts of the property if they have the permission of the property owner.

Mr. Hogan inquired as to the signs that are put up between the sidewalk and the street.

Mr. Cannon advised those can be pulled out if it is a public street.

Mr. Hogan stated he has called to complain about this in the past.

Mr. Cannon reminded that Ordinance Enforcement cannot always respond the same day, but they do try to address the signs that obstruct traffic. He added that there are so many illegal signs, the Township is inundated with them.

Mr. Paul Brouwer, 19244 Porter, Clinton Township, Michigan, a resident and a firefighter for Clinton Township, clarified that the information the Fire Department put out in their mailers was targeted to voters because they have limited resources. He added that is the way a lot of the political mailers are targeted. He explained the Fire Department wanted people to know what they are doing and why they need this money. In 2013, their mailers included three promises to the residents: 1) Seven laid-off firefighters would be rehired; 2) Would get to a total strength of 72 in the department; and 3) Replace all apparatus between 15 to 20 years of age. He stressed they have done all three, having kept their process, and assured there is no “smoke and mirrors”. He assured the promises made to the community were kept, in partnership with the Township Board.

Mr. Cannon pointed out that Mr. Brouwer could go one step further and let everyone know their union negotiated a different contract so the firefighters started paying more toward their own benefits.

Mr. Brouwer confirmed that is true, noting they are paying more for their pensions, more for retiree health care and more for current health care. He added they also negotiated to go with the County dispatch system to save the Township money and streamline the service along with the Police Department. He complained that the people sending the misinformation that claims the Fire Department has sent out misinformation is disingenuous at best. It is wrong, and he assured they have been honest with their residents in every millage since 1993. He explained when he was hired, there were 69 firefighters in suppression, and they did about 1,000 runs a year. Last year they made over 12,000 runs, and they have 67 firefighters in suppression. He assured they are earning their money and doing the job the people of Clinton Township are expecting them to do. He added that, thanks to Ms. Barker and her generous donation that adds \$16,000 that they do not have to take out of their budget for that expensive piece of equipment that they can spend on something else. He assured that equipment will have her name on it and will be kept at Station #3. He stressed their mailings contain legitimate statistics, are factual, and the misinformation coming from the other side are not.

Mr. Aragona stated that, as a government entity, they need to educate the voters on the proposals that will be on the ballot, and he understands they need to have Mr. Dolan review the language so it does not persuade a vote for or against. He

pointed out this is not the first time this has occurred. He stated he works for the House of Representatives and any time there is a state-wide ballot proposal, the Democratic caucus and Republican caucus will get together and agree on language that has been approved by their lawyers to make sure there is not one word out of place for or against, and to his knowledge, all of their members took advantage of that mailer, sending it out to make sure the residents in their districts got that information.

Mr. Keys questioned whether they are proposing to transfer \$9,000 or \$25,000.

Mr. Cannon replied the amount is just under \$25,000.

Mr. Keys inquired as to whether that is for both publication in the C&G Newspaper and the mailer.

Mr. Cannon clarified the \$9,699 is for C&G Newspaper publication, and \$15,000 is for the mailer.

Mr. Keys inquired as to whether the \$15,000 mailer cost will cover everyone who receives a Parks & Recreation flyer.

Mr. Cannon replied that is correct.

Mr. Keys expressed concerns, noting one of the reasons he voted no on pushing the road millage forward was that he was concerned the Township would jeopardize their core services by putting out a tax increase on the same ballot because they would target themselves. He pointed out that is exactly what happened. He felt Board members knew this was a possibility, so if they wanted to make sure they educated voters, this could have been done prior to this. He addressed his three part-time Trustee colleagues, indicating they received this information just before tonight's meeting, as he did, and he felt they are getting to a point where they are making quick decision, based on a whim or comment made in the staff meeting, which he did not feel is appropriate. He agree there are mailers going out with misinformation, and that is why he put his campaign money, donated to him by his family and his supporters, into this cause to put out a message. He felt that is what each of the Board members should do, because that is what the law allows them to do. He claimed it is not a budget item but it is a tax-funded campaign. He recalled an argument when he first came on the Board that he did not want to move the sixty-day rule for the cable channel, where elected officials were not allowed to be featured on the cable channel sixty days prior to an election. He felt they should be reaching out to people on cable and using the resources they have already allotted to themselves and not make a "quick flash decision" by giving the Board members a couple of hours to decide without seeing the material that will be sent out on behalf of the Township. He questioned the information that is being proposed to be sent out to the public.

He felt if the Board members had a couple of days ahead to review the mailer so they could take the time to review it and understand it, that would be a different situation. He claimed they were told the list would be targeting voters, and then that the list would not be targeting voters. He complained that decisions are being made “on the fly” and he felt this is a big decision. He understood that Mr. Cannon assured the attorney will review it, but he emphasized he wants to review it as well before he is forced to vote on it. He stated he does not want to be a “rubber stamp for this administration to do whatever they please” and felt that is not what the Trustees are intended to be, so he indicated he will not be supporting this.

Mr. Gielegem commented that he served in Lansing as well and was aware the state would put out newsletters and make them available for state representatives to mail out on state-wide ballot proposals, and the leadership would get together. He stated he did not always agree with the information being sent out on those flyers, and felt it was often somewhat slanted. He pointed out that each of the Board members expressed their opinions on this millage proposal when it came before the Board to consider putting it on the ballot. He voted yes to put the police and fire millage renewals on the ballot, but he voted no on the road millage. When misinformation was sent, he, along with Mr. Keys and Ms. West, decided to get an ad out and raised the funds to do it so they can try to correct the record to the best of their ability. He felt they should not be using taxpayer dollars to correct the record on campaign-related issues because they cannot do it without bias. It is one thing to say the attorney will review it, but it is another thing to have the ad in front of them so they can look at it and approve it. He felt the actual ad should be part of the motion.

Ms. Meltzer inquired as to whether the mailer described by Mr. Gielegem has been drafted and printed.

Mr. Gielegem clarified that this Board has nothing to say with regard to what is put on that mailer because they are paying for it out of their campaign funds. He assured he will be happy to show her a copy because it will be going out soon.

Mr. Cannon stated he wants their ad to be effective and reminded they are not required to bring it to the Board for approval.

Discussion took place regarding the original mailer generated by some residents that contained the false information

Mr. Pearl commented that this information was brought to them late, and it would have been nice to have this sooner. He added it would have been nice to know the other trustees were planning something that he may have wanted to have been part of, but he assured he has been helping the Police and Fire Departments by going door-to-door, informing the voters as to what is on the

ballot and trying to correct any misinformation out there. He claimed that same organization of residents has attacked the millage for the City of Fraser, the Chippewa Valley School millage and SEMTA. He commented that he has never seen so many pieces and so much money spent on misinformation. He felt if they had known this, they would have put out an information piece much earlier. He felt they are against all of the millages, and he felt the information needs to go out to everyone. He welcomed the other Board members to do what they are doing, and he indicated he is going to continue doing what he is doing to support these millages, noting the most important are those for essential services.

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

25. PRESENTATION OF A CHECK FOR A LUCAS 3 CPR MACHINE

This item was moved to Item #1a on tonight's agenda.

APPROVAL OF MINUTES OF JUNE 25TH, 2018 REGULAR TOWNSHIP BOARD MEETING

Mr. Gielegghem noted the corrections have been agreed to on Page 26 and Page 31, and that information has been forwarded to the Township Clerk.

Ms. Meltzer requested the deletion on Page 34 of the following, claiming it was a misinterpretation:

“The option to vote both was removed, if it was explained that they could still vote in both the primary and the general election, removing the language that was incorrect is not a problem.”

Motion by Mr. Gielegghem, supported by Mr. Keys, to approve the report of the June 25th, 2018 Regular Township Board meeting, with the corrections noted. Roll Call: Ayes – Gielegghem, Keys, West, Pearl, Cannon, Aragona, Meltzer. Nays – None. Absent – None. Motion carried.

APPROVAL OF MINUTES OF JULY 9TH, 2018 REGULAR TOWNSHIP BOARD MEETING

Motion by Mr. Aragona, supported by Mr. Keys, to approve the report of the July 9th, 2018 Regular Township Board meeting, as presented. Roll Call: Ayes – Aragona, Keys, West, Pearl, Cannon, Gielegghem, Meltzer. Nays – None. Absent – None. Motion carried.

APPROVAL OF BILLS

Motion by Ms. Meltzer, supported by Mr. Pearl, to approve the bills as presented.
Roll Call: Ayes – Meltzer, Pearl, West, Keys, Cannon, Aragona, Gieleghem.
Nays – None. Absent – None. Motion carried.

PUBLIC COMMENTS

Mr. Bob Hogan, 36755 Barr Street, Clinton Township, Michigan 48035, stated his comment was addressed earlier in the meeting.

Mr. Lenny Braun, resident on Catalano [no address given], spoke to Ms. Bednar regarding a park in his neighborhood that he claims has only one bench, one garbage can and one flower, which he planted. He requested that more effort be spent to make this a nicer park for the residents in the area.

Mr. Cannon stated they are addressing the park issue, and he felt Mr. Braun will be happy with what he will see coming forward on this issue.

Mr. Sam Bushell emailed each of the Board members on July 5th, 2018, indicating that there were firefighters on fire trucks coming through his neighborhood, passing out information on the upcoming millage. He questioned how much that cost to have them drive their trucks up and down the street to distribute that information. He explained he filled out a Freedom of Information Act (FOIA) request for that information, and he complained that he has not received one response from any of the Board members. He felt the taxpayers are paying too much now and are not “getting the value for their taxes”.

Ms. Catherine Campbell, 41830 Kentvale Drive, Clinton Township, Michigan 48038, stated this was the first year she and her husband attended the fireworks and she was very impressed, noting it was truly a family event. She was with her husband, passing out information on the upcoming ballot issue regarding the road millage, and she indicated the overwhelming response from residents was that they are willing to pay but questioned what it will cost. She pointed out that one of the advantages of the millage is that owners of commercial properties will also have to pay, so costs to repair the roads will not fall 100% on the homeowners through special assessments. She stressed that they need this to repair the roads that are in such bad shape.

Mr. Robert Campbell, 41830 Kentvale Drive, Clinton Township, Michigan 48038, clarified some of the misinformation they received in the mail

dealing with the cost of getting their roads repaired. He indicated the cost for the road millage for the median home in Clinton Township, valued at \$150,000, equates to \$143 per year for five years. He cited another example, noting that a home valued at \$200,000 will be assessed \$193 per year for five years. He stated these funds will be used by the Township to match special assessment district money and, in some cases, funds made available by the County. He stressed this is not paying twice to get the roads fixed, and he compared it to someone who makes a large purchase taking half of the amount out of their savings account and half out of their checking account. He cited the example of a standard 60-foot-wide lot in a subdivision, and the fact that reconstructing that road will cost the homeowner on each side of that street about \$200 per lineal foot, for a total of \$12,000. Without a millage, this is what it would cost through a Special Assessment District to have the street fixed. With a millage that provides matching funds, the Special Assessment Cost will be reduced to \$6,000. In both cases, the SAD cost can be spread out over a 10-year period. The two options to get a road fixed are to pay no millage and \$12,000, or an annual millage of \$190 and \$6,000 in SAD. On an annual basis, the cost of those two alternatives is either \$1,200 per year for 12 years, or \$790 for five years and \$600 for the second five years. He emphasized his choice would be the less expensive alternative. If the County is still providing matching funds for subdivision roads, there is a possibility that the homeowner's cost would be reduced even further. He reiterated a point that all three of the Clinton Township millages, including the renewal of the police and fire millages, along with the road millage, were the result of almost unanimous recommendations by three separate Citizen's Advisory Committees. These committees were open for any interested resident of the Township to volunteer their time, talents and opinions. Any elected officials or employees of the Township who worked with those committees served on a purely advisory role. He is confident in relaying that information because he was chairperson for two of those three committees and never missed a meeting. He added that, with all due respect to the elected officials, those three committees were the driving force recommending these be placed on the ballot.

ADJOURNMENT

Motion by Mr. Keys, supported by Mr. Aragona, to adjourn the meeting. Roll Call: Ayes – Keys, Aragona, West, Pearl, Cannon, Gieleghem, Meltzer. Nays-None. Absent – None. Motion carried. The meeting adjourned at 8:37 p.m.

Respectfully submitted,

KIM MELTZER, CLERK
CHARTER TOWNSHIP OF CLINTON

ces:07/30/18