

CHARTER TOWNSHIP OF FLUSHING

6524 N. SEYMOUR ROAD

FLUSHING, MICHIGAN 48433

BOARD OF TRUSTEES MINUTES

DATE: OCTOBER 13, 2011

TIME: 7:00 P.M.

PHONE: 810-659-0800

FAX 810-659-4212

WEB PAGE: <http://www.flushingtowship.com>

ADMINISTRATION MEMBERS

SUPERVISOR: Terry A. Peck

CLERK: Julia A. Morford

TREASURER: William J. Noecker

TRUSTEES

Michael S. Gardner

Scott R. Matzke

Scott P. Minaudo

Mark H. Purkey

TOWNSHIP ATTORNEY:

STEVEN MOULTON

Cooley Moulton & Smith LLP

727 S. Grand Traverse Street

Flint, Michigan 48502

MEETING CALLED TO ORDER at 7:09 p.m. by **SUPERVISOR TERRY A. PECK** with Roll Call and the Pledge of Allegiance to the American Flag.

ROLL CALL: Terry A. Peck, Julia A. Morford, William J. Noecker, Scott R. Matzke, Scott P. Minaudo, Mark H. Purkey, and Attorney Steve Moulton

MEMBERS ABSENT: Michael S. Gardner

OTHER INDIVIDUALS PRESENT: Twenty (20) other individuals

APPROVAL OF THE AGENDA: PURKEY MOVED, seconded by Minaudo to approve the Agenda as presented.

DISCUSSION:

The Clerk requested to add, under "New Business", letter "b" , *September Monthly Budget*.

NOECKER MOVED, seconded by Minaudo to approve the Agenda with the amendment.

ACTION OF THE MOTION

AYES: 6

NAYS: 0

ABSENT: Gardner

Motion Carried.

APPROVAL OF PREVIOUS MINUTES:

A. SEPTEMBER 8, 2011: PURKEY MOVED, seconded by Minaudo to approve the Minutes of September 8, 2011 as presented.

ACTION OF THE MOTION

AYES: 6

NAYS: 0

ABSENT: Gardner

Motion Carried.

APPROVAL OF PAYMENT OF BILLS: MINAUDO MOVED, seconded by Purkey to postpone the payment of the bills until the end of the meeting due to questions from Board Members.

ACTION OF THE MOTION

AYES: 6

NAYS: 0

ABSENT: Gardner

Motion Carried

UNFINISHED BUSINESS:

None

NEW BUSINESS:

1-a. Genesee County Drain Commissioner Jeff Wright

Water and Waste Services DIRECTOR JOHN O'BRIEN AND ASSISTANT DIRECTOR DAVID JANSEN were present to give an update of the "Karignondi Water Authority" (Pipeline from Port Huron to Genesee County). A general overview was given regarding the Water Authority as to where it stands now and in the future.

Important facts:

- a. In 2010, five (5) communities formed the "Karignondi Water Authority": Genesee County, Sanilac County, Lapeer County, City of Lapeer, and the City of Flint.
- b. There are seven (7) members on the Authority Board.
- c. In 2001, the City of Flint's Contract expired with Detroit; Genesee County has been operating on a year-to-year contract with the City of Detroit; Detroit is no longer willing to honor the Contract and would like for Genesee County to sign a thirty (30) year contract.
- d. There are two (2) options for Genesee County:
 1. Sign a new thirty (30) year contract with Detroit.
 2. Build own water system and get away from Detroit.
 3. Not do anything which is not an option to Genesee County.
- e. Three (3) years ago a group assembled that included Genesee County, Sanilac County, Lapeer County, City of Lapeer, City of Flint, Oakland County, St. Clair County, and Livingston County. Oakland, St. Clair, and Livingston Counties pulled out and decided to contract with Detroit.
- f. The "Karignondi Water Authority" is caught between two (2) water authorities, Oakland, St. Clair, and Livingston to the South and Midland, Bay City, and Saginaw (MBS) to the North, which have the same water formulas.
- g. The further away from the center, the more the water rates are. If Genesee County went with MBS, the prices would be similar to Detroit; Genesee County would be caught between two (2) water system areas with the same formula. Genesee County would still have the high water rates due to the distance.
- h. In 2003, there was an auction of Detroit Edison property on Lake Huron. Genesee County purchased two hundred thirty (230) acres on Lake Huron just in case the County wanted to move forward with the water line project. Additional property is not required to install the proposed water line.

OPTIONS:

1. Stay with Detroit and they would be responsible to get water to Genesee County; there is only one (1) line and if the line breaks, the County is without water for three (3) or four (4) days. The new water storage tanks in the County have supplied needed water to the County when needed; when the water line has broke, the City of Flint has been on "boil water" orders.
2. If Genesee County signed a new Contract with Detroit, they (Detroit) would construct a new pipeline North on I-75 to connect with the interceptor. OR
3. With the "Karignondi Water Authority", water would be taken out of Lake Huron and brought West with a loop into Lapeer County and then Genesee County.
4. Both plans would meet the long term plans.
5. The Detroit Water System line is estimated at \$2.1 billion and the cost would be spread out over all customers.

6. The “Karignondi Water Authority” cost is estimated at approximately \$605 billion; (\$300 million for the pipeline, \$120 million for a new water plant for Genesee County, \$30 million for a new water plant for Lapeer County and \$100 million for upgrade to the Flint Water Plant.)
7. The cost to pay off the debt would be in the water rates.

TODAY:

1. A withdrawal permit from the State of Michigan has been obtained to withdraw water from the Great Lakes.
2. The State and Corp of Engineering permits have been obtained to do borings in Lake Huron.
3. Articles and By-Laws have been set up as a cooperative.

COMMENTS:

1. It is predicted that water will be the next economy in Michigan.
2. The “Karignondi Water Authority” was set up under Public Act 233 where one member from each community is a Board Member.
3. Raw water provides a second product to sell; public water is also available to purchase. Farmers use raw water because the chloride doesn’t have to be taken out of the water.

NEXT STEP:

1. Each of the five (5) communities have, for their review, the thirty (30) year contract with Detroit and also the “Karignondi Water Authority” Contract in order to decide which direction to proceed.
2. If the Communities decide to move forward, they would sign the contracts and within six (6) months of signing the contracts, would come back to the communities to enforce the price that was quoted and would give one last chance for a community to back out if they wished.
3. If the December 2011 deadline was met, there could be some construction starting next year. It would take three and one-half (3½) years to construct the sixty-five (65) mile pipeline and would be up and running by 2014.
4. The City of Flint would no longer be a middle man but would be a voting community. There are ten (10) additional seats on the board depending upon the water usage
5. Genesee County would purchase water direct from KWA.
6. Everyone in Genesee County would pay the same water rate regardless if living in Richfield Township (East side) or Flushing Township (West side); the same rates would apply for sewer.
7. If Genesee County stayed with Detroit, Detroit would have to build the waterline, if Genesee County left the system, Detroit wouldn’t have to construct the pipeline, but Detroit would lose Genesee County’s business.
8. Currently, the residents of Genesee County and Flint are sending \$25 million to Detroit for water. If the “Karignondi Water System” is constructed, the \$25 million would stay in this area.
9. Until 2014, there will be double payments made by Genesee County: 1) to Detroit for the water and 2) to the construction company.

QUESTIONS:

For any questions please review Karignondi.com on the internet.

1-b. September Monthly Budget

PURKEY MOVED, seconded by Matzke to approve the September Monthly Budget.

ACTION OF THE MOTION:

AYES: Minaudo, Matzke, Purkey, Peck, Noecker, and Morford

NAYS: 0

ABSENT: Gardner

Motion Carried

1-c. Genesee County Hazard Mitigation Plan

SUPERVISOR PECK read a letter of intent that had to be sent into the Genesee-Lapeer-Shiawassee Region V Planning and Development Commission regarding a Genesee County Hazard Mitigation Plan which was adopted in 2007 by all local units of government in Genesee County and approved by the Federal Emergency Management Agency (FEMA):

“Dear FEMA:

I understand that Genesee-Lapeer-Shiawassee Region V Planning and Development Commission (GLS Region V PDC) is submitting an application to update the Hazard Mitigation Plan adopted by the Genesee County Board of Commissioners in 2007. I also understand that FEMA requires a signed statement of intent to participate from each jurisdiction in the County.

Please be advised that the Charter Township of Flushing will participate in the planning process to update the Genesee County Hazard Mitigation Plan.

Sincerely,
Terry A. Peck, Supervisor
Charter Township of Flushing”

NOECKER MOVED, seconded by Morford to send the letter of intent to the Genesee-Lapeer-Shiawassee Region V Planning and Development Commission.

ACTION OF THE MOTION:

AYES: 6
NAYS: 0
ABSENT: Gardner
Motion Carried

1-d. Michigan Association of Township Supervisors – 2011 Fall Conference – Kalamazoo

NOECKER MOVED, seconded by Purkey to approve the Supervisor attending the *Michigan Association of Township Supervisors* Conference in Kalamazoo, MI on October 19-21, 2011 at a total cost of \$700.00 for conference registration, membership, and hotel.

ACTION OF THE MOTION:

ROLLCALL VOTE:
AYES: Purkey, Matzke, Minaudo, Peck, Morford, and Noecker
NAYS: 0
ABSENT: Gardner
Motion Carried

1-e. Replacement of Patricia Drozdrowski to the Compensation Commission

ONE YEAR POSITION:

PURKEY MOVED, seconded by Morford to appoint Robert Gensheimer to the one (1) year position on the Compensation Committee.

DISCUSSION:

Since a township officer cannot hold a position on the Compensation Commission, Ms. Patricia Drozdrowski, who is the Deputy Clerk, will be unable to continue on the Commission.

Mr. Jim Wood’s schedule will prevent him from attending the Commission meetings.

One position is for one (1) year and one position is for four (4) years.

ACTION OF THE MOTION:

AYES: 6
NAYS: 0
ABSENT: Gardner
Motion Carried

FOUR YEAR POSITION:

MORFORD MOVED, seconded by Matzke to appoint Larry Birchmeier to the four (4) year position on the Compensation Commission.

ACTION OF THE MOTION:

AYES: Morford and Matzke
NAYS: Purkey, Noecker, Peck, and Minaudo
ABSENT: Gardner
Motion Failed

MORFORD MOVED, seconded by Matzke to appoint Donn Hinds to the four (4) year position on the Compensation Commission.

ACTION OF THE MOTION:

AYES: 6
NAYS: 0
ABSENT: Gardner
Motion Carried.

1-f. Review of Police Department Secretary Pay Increase

NOECKER MOVED, seconded by Purkey to increase the Police Department Secretary's pay by fifty (50) cents.

DISCUSSION:

When the Secretary was hired she was told that in one (1) year she would receive a \$1.00 an hour raise which is contrary to Township rules. When the time came for the \$1.00 raise, the township only approved a fifty (50) cent an hour raise. The Police Chief is now requesting the other fifty (50) cents be given to the Police Secretary for a total of \$1.00 an hour raise.

The Secretary does a good job, but it was felt by a few Board Members that with all the cuts and everyone watching their pennies, the issue be brought back to the Board in six (6) months.

ACTION OF THE MOTION:

ROLL CALL VOTE:
AYES: Minaudo, Purkey, Noecker, and Peck
NAYS: Morford and Matzke
ABSENT: Gardner
Motion Carried

1-g. Review of Police Department Funding

MORFORD MOVED, seconded by Purkey to approve up to \$1,200.00 to hire Plante Moran to do a review of the township books.

DISCUSSION:

Hopefully, with the passage of the upcoming Police Millage on November 8, 2011, everything would go forward as usual. Per the Supervisor, if the Millage doesn't pass, a lot of things would happen quickly:

- \$400,000.00 has to be paid back to the Water Fund the first of the year.

- The Police Department has to be able to operate without the help of the Water Fund because if the millage is not passed, in 2013, there will be very little money coming in to run the Police Department.
- The labor attorney suggested hiring Plante and Moran, since they are Flushing Township's auditors, to review the books and income and 1) forecast what it would cost to run the department, 2) what would have to be paid back, 3) what could be paid to the MERS, and 4) when and what steps needed to be taken.
- The Supervisor felt \$1,200.00 would take care of the cost to do the study.

It was asked if the review had to be done before the Election or even before the next Board Meeting. A lot of inquiries have been coming into the township as to the outcome if the millage passes or fails. Supervisor Peck would check with Plante and Moran to see what the time frame would be to obtain the information.

PURKEY MOVED, seconded by Purkey to postpone the Plante Moran Review.

DISCUSSION:

It was asked would the Board be willing to come to the November 10, 2011 Board Meeting, two (2) days after the Election and make any major changes to the Police Department? It was suggested to wait until the December 2011 Board Meeting.

ACTION OF THE MOTION:

AYES: 6
 NAYS: 0
 ABSENT: Gardner
 Motion Carried.

1-h. Review of 80/20 Health Care Proposal by Governor Snyder

Governor Snyder is expected to sign a new law that will limit public employer contributions to employee health insurance, effective January 1, 2012. There are three (3) different plans the Governor made available:

- a. **The Hard Cap:** a maximum amount that a public employer may pay towards public employee health care costs.
- b. **The 80/20 Plan:** public employees would pay twenty (20%) percent of their health insurance premiums, deductibles, co-pays, and anything else that would cost the township.
- c. **Opting Out:** if a deal better than the 80/20 Plan was available, the township could opt out. Per the Supervisor, with only five (5) or six (6) employees, that would not be possible.

There are a lot of unanswered questions that still have to be resolved. A Resolution will have to be approved by the Flushing Township Board to accept the 80/20 Plan that will be effective January 1, 2012.

An interesting point regarding the insurance was that if a Union Contract had been signed prior to September 15, 2011, there could have been a provision in the contract where there didn't have to be a 80/20 Plan; the township could have had a 90/10 Plan for which the employee and employer each would only have to pay ten (10%) percent.

The current insurance agent for Flushing Township will be coming to the Township, the middle of November, to discuss the issues with the employees. Other local insurance agents might be able to come to the Township to give another view of the plans and proposals that would not cost the township too much but would help employees with their co-pays.

No action was taken as the information was for educational purposes only.

1-i. Closed Session

8:00 P.M. MINAUDO MOVED, seconded by Purkey that the Board move to go into Closed Session pursuant to MCL 15.268(h) to consider a matter that is exempt from the disclosure of existing State Law or Federal Statute which is the HIPPA provision.

ACTION OF THE MOTION:

ROLL CALL VOTE:

AYES: Purkey, Morford, Noecker, Peck, Matzke, and Minaudo

NAYS: 0

ABSENT: Gardner

Motion Carried.

8:20 P.M. PURKEY MOVED, seconded by Minaudo to re-convene to regular session.

ACTION OF THE MOTION:

ROLL CALL VOTE:

AYES: Morford, Noecker, Peck, Matzke, Minaudo, and Purkey

NAYS: 0

ABSENT: Gardner

Motion Carried.

PAYMENT OF THE BILLS:

MOTION AND SECONDED to pay the bills as presented.

DISCUSSION:

Questions: Page 4 of the *Listing of Bills Paid for October 6, 2011* (“Cardmember Services”)

- \$40.26 = Office Supplies
- \$269.59 = Election Supplies
- \$67.46 = Office Supplies
- \$20.86 = Mulch for landscaping around the township hall
- \$199.99 = Cell phone for Police Chief – purchase directed by Supervisor Peck so he could be on Sprint (Nextel) and would be able to communicate with Sergeant and others
- \$36.00 = Diesel fuel for John Deere Tractor

Total 634.16.00

ACTION OF THE MOTION:

ROLL CALL VOTE:

AYES: Noecker, Peck, Minaudo, and Purkey

NAYS: Matzke and Morford

ABSENT: Gardner

Motion Carried.

COMMITTEE REPORTS:

None

REPORTS:

1. **Treasurer’s Report:** As submitted.

8:25 P.M. – OPEN FOR PUBLIC COMMENTS

One (1) individual gave a comment.

8:26 P.M. - CLOSED FOR PUBLIC COMMENTS

BOARD COMMENTS:

1. **MATZKE:** was told that the Credit Card issue was being investigated so waiting for an answer from Supervisor Peck.
2. **PURKEY:** “go vote”.

- 3. **MORFORD:** the township will be going to a new counting system on the copier. There have been 3,900 copies made from August to September 2011, so it was decided to go to a password system to protect everyone.
- 4. **NOECKER:** has seen beavers at the Flushing Township Nature Park; was at the Park and a gentleman had binoculars looking at otters in the Flint River; otters only live in clean water.
- 5. **SUPERVISOR PECK’S COMMENTS:**
 - a. **Credit Card Purchase of Gasoline in Caro Michigan:** Supervisor Peck gave a complete report of the investigation that he has done regarding the purchase of gasoline on the Township Credit Card by the Flushing Township Police Chief in Caro, Michigan. The whole issue stems around “Vince and Larry”, the crash dummies that had been purchased by a grant by Flushing Township Police Department. The labor attorney and Supervisor Peck have responded to the issue. Freedom of Information Requests have been requested by several.
 - b. **Grants:** currently two (2) grants are in the works. 1) A Passport Grant for \$24,000 has been applied for to put gravel at the Flushing Township Nature Park. The grant money is collected from license plates and is designated for Parks and Recreation. 2) A Community Development Block Grant (CDBG) has been approved to put two (2) handicap parking spaces in front of the Main Office and one (1) parking space in front of the Police Department; palm buttons will also be placed on the entrance doors to the Main Office and Police Department at the Flushing Township Hall. At the Flushing Township Nature Park, there will be four (4) handicap parking spaces, palm buttons on the Restroom, and concrete to get from the Pavillion to the Restroom.
 - c. **Roads:** Gillette and Stanley Roads have been paved; Three and one-half (3.5) miles of Coldwater Road (Seymour Road to M-13) have been paved; one (1) mile of Carpenter Road has been completed by milling and putting in a new culvert. Spydel and Apple Blossom Lanes have not been completed - three hundred (300) to four hundred (400) feet of black top will be needed .
 - d. **Township Parking Lot Islands:** two (2) grassy islands have been removed and the areas have been paved , striped and sealed; the Flushing Township Nature Park parking lot has also been striped and sealed.
 - e. **Police Contract:** An arbitrator has been named for the Patrolman’s Contract; the Union has notified the Township as to what points they will take to arbitration.
 - f. **Complaints:**
 - 1. phone calls that people are speeding on the new roads.
 - 2. vehicles that have been on the property too long without license plates.
 - 3. businesses in the homes that don’t comply with the Flushing Township Ordinances.

THE NEXT REGULAR SCHEDULED BOARD OF TRUSTEES MEETING WILL BE THURSDAY, NOVEMBER 10, 2011 AT 7:00 P.M. AT THE FLUSHING TOWNSHIP HALL.

ADJOURNMENT: MINAUDO MOVED, seconded by Morford to adjourn the meeting at 8:45 p.m.

JULIA A. MORFORD, Clerk

TERRY A. PECK , Supervisor

APPROVED DATE: _____
10 13 2011 Regular Min