

PROPOSED MINUTES
LAKETOWN TOWNSHIP
BOARD OF TRUSTEES
4338 BEELINE ROAD
ALLEGAN COUNTY
HOLLAND, MI 49423

REGULAR MEETING
March 8, 2017

ARTICLE I. CALL TO ORDER

Supervisor Terry Hofmeyer called the regular monthly Board of Trustees meeting to order at 8:35 P.M.

MEMBERS PRESENT: Terry Hofmeyer, Wendy Van Huis, Ed Stielstra,
Gary Dewey, Linda Howell
MEMBERS ABSENT: None
STAFF PRESENT: Al Meshkin – Township Manager
Kathy Stoike – Administrative Assistant/Finance
Charlene Fields – Deputy Treasurer
Staci Veldt – Rental Coordinator
Paul Smith – Township Assessor
Doug Den Bleyker – Fire Chief
Diane Ybarra – Recording Secretary
Dan Williams – Township Maintenance

ARTICLE II. REVIEW AND APPROVAL OF MINUTES

The Board members reviewed the minutes of the February 8, 2017 meeting. Following discussion, **a motion was made by Van Huis and seconded by Dewey to approve the minutes as submitted. Supervisor Terry Hofmeyer called for a vote on the motion. UNANIMOUS DECISION – MOTION APPROVED**

ARTICLE III. FINANCIAL REPORT/REVIEW & APPROVE THE BILLS

Supervisor Hofmeyer reviewed the bills for the month of February 2017. Following discussion, **a motion was made by Dewey and seconded by Howell to approve and pay the bills as submitted. Supervisor Hofmeyer called for a vote on the motion. UNANIMOUS DECISION – MOTION APPROVED**

ARTICLE IV. CORRESPONDENCE - None

ARTICLE V. CITIZEN COMMENT'S COMMENTS ON OLD AND NEW BUSINESS

Ryan Bosscher of 967 Laketown Drive discussed fiber optic and supports getting Internet in the township but wants more research done. He is also interested in the HBPW and they are having a meeting he feels board members should attend. He encouraged the township to do as they have been to push for special assessment district to make it possible to reach the underserved. Once all options are exhausted, then pursue on the ballot again. There was not enough information on the first ballot and a larger timeframe should be given so residents can be educated on the details. This may be a financial burden for some residents to research should be done to reduce costs and consider the use of the General Fund to absorb staffing and other things not covered by the millage. Most projects

begin with engineering to determine what is needed so it is concerning that we may not understand the right amount to be budgeted; we should continue to research grants and reduce costs by attaching to existing poles; the provider could charge customers for service lines; if HBPW pursues their project, perhaps joint bidding could be explored. Bosscher submitted a document detailing his comments including his concern that extreme caution be use due to the financial implications.

Jim Delaney of 6298 of 144th Avenue spoke in opposition of the fiber optic project because of his experience with similar projects adding that the cost is typically more than anticipated. He supported researching the suggestion made by Becker to put antennas on poles and the ricochet technology is very stable with strong connectivity. Delaney also commented on the township not controlling this as an ISP but feels it will still have to retain control based on the tax base to support the system. He is not against the idea of fiber optics but does not feel the township should be doing it. He also suggested waiting to see how the HBPW pilot turns out.

Mitra Delaney of 6298 144th Avenue distributed and read a letter representing a number of residents delivering a list of demands to the board including that the budget be extensively revised and not approved tonight. Residents want to be more involved in deciding how their tax dollars are spent, asking for lower taxes, reduction in staff, review of all department spending, suspend all bonds because it is debt and no more costly exploratory projects.

Mike Teekamp of 6292 144th Avenue read priorities from the document such as reconstruction of maintenance budget to fund resurfacing of 5-7 miles of road per year; maintain area drainage; no more parks; maintain current parks with volunteers, particularly from Hamilton Schools since the township taxes support them; halt the fiber optic project because of increase in taxes; no more bond debt; inform potential incoming residents of the Internet constraints; stop other projects where we as taxpayers incur costs; residents must have understanding, input and approve the budget.

Tom Crum of 6295144th Avenue read more of the document stating that one problem is the Felt Estate debt is too high, it is a non-profit so why is it connected to the township, it should be a standalone; tax paying residents need income tax reports, bond papers, revenue information on the Felt. There should be a special meeting called in April to discuss the Felt Mansion, Friends of the Felt to discuss when it will be self-sustaining and how that will change the budget.

Eve Shatler of 4756 Wildwood Road stated that all information should be located on the township website. A great deal is not in the meeting minutes and wording of the comments get changed. Meetings could be taped and put on the website for residents to listen to exact comments. People coming up to speak and board members should speak closer to the microphone. Detailed job descriptions for all staff and board members should be on the website. Development in the township is inevitable but why are we allowing small spec houses to be built in cookie cutter subdivisions. We don't want to look like the north side of Holland. Residents want to make a motion to table the budget and not be approved tonight. A town hall meeting should be held to discuss the Felt Mansion and Friends of the Felt to get it off the township budget. The audit should be done first and made available to residents before the budget moves forward. If Kiekoover cannot do it sooner then another auditor should be used.

ARTICLE VI. OLD BUSINESS

A. FY 2016-17 BUDGET AMENDMENT

Al Meshkin reviewed the FY 2016-17 amended budget noting that nothing has significantly been changed.

Following discussion, **a motion was made by Dewey and seconded by Van Huis to approve the amended budget for FY 2016-17. Supervisor Terry Hofmeyer called for a vote.**
UNANIMOUS DECISION – MOTION APPROVED

ARTICLE VII. NEW BUSINESS

A. FY 2017-18 BUDGET PUBLIC HEARING

Supervisor Hofmeyer opened the public hearing on the FY 2017-18 Budget.

Al Meshkin reviewed the budget highlighting revenue generated from taxes rate is .57mils a little more than a half of a mil resulting in \$211,000 toward operations this year. Fire, Roads & Drains is 3 mils after a special voted by residents, non-discretionary to be used for these purposes only, as are all line items noted on the budget. The township will receive about \$2.3mil of revenue this year. Dick Becker asked if the \$75,000 Cable TV Franchise monies can be used for something else and Meshkin said they are not totally unrestricted but less restricted, at that rate it will take 30 years to generate the necessary \$3mil for the project. Tom Hoekman asked what the Special Project for \$95,000 is for and Meshkin that it is for the roof on the township hall building and work on the Huyser Farm homestead. Meshkin stated that the budget is created within the state guidelines for review and approval and/or amendment by the board. It is a clear and transparent document to be used as a working guide to the township. Mary Moon of Fiddlers Way stated that some of the items on the budget are rather vague, such as the Special Projects and more detail is needed to better understand it. Meshkin reiterated this is a budget, a guide to spending, a general direction we are going to spend this year, this sets the framework for this fiscal year; more meetings this year of each committee will occur to discuss use. Van Huis stated the General Operating money has not increased. Meshkin responded it has not increased since Headley Law in 1978 when it was 1.07mil and every year it gets ratcheted back, constantly going down.

Meshkin explained each category in the General Fund Expenditures. The biggest line item under township board is contracted services, such as Holland Chamber of Commerce, Friends of the Felt, Evergreen Commons; Holland fireworks, etc. Tom Crum said we want to know what the hell is in the budget. Someone said salaries we pay to board members are low but manager's salary is excessive. Why the manager is so much more compared to board members. Udelis Kuipers said we have a man sitting over here who when John Kruid was here we didn't have those problems as we have now. Meshkin continued with budget review. Mary Moon asked if we are here to approve the budget and Meshkin said the township board will vote on the budget tonight.

An unnamed member of the audience asked about job descriptions, would it help with the transparency and to better understand? Meshkin said the township staff has job descriptions, the manager's position is an employment contract and the duties of the elected officials are mandated by the state, all of which are public information and made available. Meshkin stated that he is the FOIA (Freedom of Information Act) officer for the township so he will respond to requests for information that meet the laws for disclosure. Mary Moon asked if minutes are taken and Meshkin responded yes, a brief generalization of the meeting but not verbatim.

Mary Moon said if there was the ability to tape and view the meetings, she would get more involved. Meshkin said there was a time when township board meetings were videotaped.

Tom Crum said if you would like the internet get your thumb out of it and cut costs. Why be in the business of the internet when your business is township. Meshkin said the internet is the new utility. Mary Moon said the options we have today are more than yesterday and we will continue to research what is available.

Ryan Bosscher said transparency with agendas, public notices and meeting minutes on the website now is very impressive; in that regard I think you are doing a great job.

Meshkin continued with the budget stating the office budget increased with \$30,000 to add staff due to the increase in workload.

Tom Hoekman asked what the deferred comp is and Meshkin said the township provides employees with a deferred compensation plan that employees contribute to and the townships matches the money. There is no pension, life insurance or short-term disability and healthcare is offered to full-time employees only.

Dick Becker asked what the new staff member will do and Meshkin responded it will be a mix of duties comprised of planning, assessing and other duties as assigned. Tom Crum asked how many employees Park Township has and Meshkin responded he thought 25-30.

Is the new position appointed and was it posted? Meshkin responded it was an internal hire with an intern that served last summer coming on full-time this year.

Tom Hoekman asked who the salary is for Buildings and Grounds and Meshkin responded it is the maintenance position that was hired three years ago. Mary Moon questioned the salary going from \$34,000 to \$35,000 and Meshkin explained that salary is for the maintenance position and the \$10,000 is for outside contractors when necessary. The Capital Outlay of \$35,000 was previously mentioned for a new roof on this building. Jim Delaney questioned the transportation costs at \$1,500 and Meshkin explained it is fuel for the township pick-up truck. Someone else questioned the manager's transportation expense of \$6,000 and Meshkin explained that he is given a \$500 per month car allowance as part of his contract. Udelis Kuipers thinks the township should own/lease a car. A resident asked about the new solar array park asking for a better description of how dollars are coming back. Meshkin explained that he does not have history available yet but anticipates a \$6,000 annual savings as previously mentioned. Bosscher in regards to street lights changing more fixtures to energy efficient units would be beneficial. Meshkin said virtually all street lights are Consumers Energy which are a variety of different types of bulbs having different costs to the township based on the type and lumens.

Under fiber optics Meshkin explained the \$10,000 will be used on public education of fiber optic and potentially part-time staff to support it. There are monies for engineering, legal and accounting to work with an ISP on contract negotiation. A resident asked how long it would take to get the cost information and if it would go on the ballot again. Meshkin stated the Internet is a public utility that must be provided to residents. Tom Crum said the City of Holland is piloting the Internet in four buildings and they have no idea what it is costing. Meshkin said they do have documented cost of the project. Meshkin said the current cost for Internet for those served is approximately \$150 per month; fiber optic would be \$75 per month and offer more options for everyone in the township. Becker said we do not want the township to become the monopoly. Mary Moon said aren't we all in agreement that technology is changing so will be more competitive. Crum asked if the township charter calls for you to do what you want and charge us what you want. Crum said our kids can barely read and write when they get to college and you are worried about Internet. Meshkin if we are not in the business we will have it throughout the township. Mitra Delaney asked how they have Internet now. Andy Squires shared his frustrations, as a business owner in the township and not being able to have adequate service in his home office. Crum said we are not against the fiber optic but do not want the township owning it. Jim Ludema stated he had discussions with Comcast providing service in the township.

Bosscher questioned the \$20,000 electricity cost for the Felt Mansion. Meshkin stated that it was 13 months of bills and as for the array, more history is needed. Hoekman asked whose \$45,000 salary is for the Felt Mansion. Meshkin said it is primarily the rental staff and one full-time employee. Crum asked why the phone to the Felt Mansion is answered at the township office and whose budget is it on. Meshkin responded after a number of rings, it will forward to the office. Delaney asked how much the bond balance is and what the cost is. Meshkin said bond started at \$525,000 and the payment is approximately \$50,000 per year. Delaney asked what is the Friends of the Felt and is Patty Meyer's salary on the budget. Meshkin responded that Meyer's salary is paid by the Friends of the Felt which is not part of the township, it is a separate 501(c)(3). Crum said if it is a non-profit, why it doesn't stand on its own two feet. Why not put it out to bid for someone else? Meshkin explained the history of the Felt Mansion and the covenant put on by the state to keep it open to the public and no private enterprise is allowed. The non-profit status allows for the ability to apply for grant monies. The mansion and Shore Acres Park is owned by the township government and the Friends of the Felt and its staff work out of it. The Carriage House is not owned by the township but we have a 99 year lease on it from the state. Mitra said we do not understand how the Felt Mansion and Friends of the Felt work and asked for a special meeting to have it all explained. Van Huis said the township receives the rental income from the mansion. Hoekman asked about the private public partnership. Meshkin said the Friends of the Felt does what can be done legally and if we violate the state covenant, the mansion could be taken back by the state. A resident said he would agree with a

special meeting to better understand the workings of the Felt Mansion. Meshkin said a meeting cannot be held next month because there is not enough time to prepare or provide notice. Crum asked who this new person is for the ZBA. Meshkin said it was in the newsletter to recruit for the ZBA. Bosscher said the \$224,000 looks better when the \$160,000 in revenue is taken into consideration.

Hoekman asked about the Vehicle Inspection under Planning & Construction. Meshkin said we have a retired all county deputy who does vehicle inspections on salvaged cars is required by the State of Michigan to obtain a legal title. He charges \$100 and the township retains \$25. A resident asked what the \$10,000 for Contract under the Manager's budget and Meshkin responded it is discretionary merit pay. Crum asked what the board does for the township if you made the budget, sell it to them and they just approve it, what is their job? Meshkin referred Crum to the statutory rules on the state law which provides his directive including the April 1 fiscal year calendar under which the budget must be approved. Crum also questioned the electrical inspection amount implying that it should be higher with all of the new construction in the township. Meshkin said the inspectors are paid per inspection and you will see things increase. The budget is a target and will be amended in March of next year. Crum asked if there is anything you can squeeze, cut wages, why hire another office person to sit on their duff? Meshkin asked that Crum not insult the staff. Moon asked isn't there anything you can cut? Meshkin said Laketown levies one of the lowest mils than any other municipality on this side of the state. Any changes made will not be significant to your tax bill. We would have to cut services if you want to cut the taxes but we have legal responsibilities. Jim Ludema said it is the discretionary funds not knowing that are the concerns of the people here. Becker said what we are asking you to do is really watch what we are spending and for the board to do it, too. Meshkin gave an example of a contractor giving us a bid for one thing and charged us twice as much and he refused to pay so things like that. Ludema said there is no conflict between the board and Meshkin but there should always be some question between the two of you. It seems there are no checks and balances. Hoekman said it gets hammered out in the workshop session. Crum said what about term limits, it should be 30 years and no longer. Jim Johnson of 6402 Hidden Hollow commented on the Internet stating it is clear that people do and don't want it but technology is changing rapidly such as the trial with latency. Candidly, it will take years to build out but it is something we should watch as technology is moving fast. Meshkin is familiar with 5G and it has promise but the problem with anything cellular based is the proximity to towers which is inconsistent in the township. Meshkin said one thing that is beautiful about fiber is that it keeps up with technology changes. Fiber can transfer to new technology electronics. Jim Ludema said companies are constantly changing, what will happen in 5 years. Meshkin said experts said fiber optics is future proof. Ludema has an issue with original bond at \$9mil and experts that he knows working with HBPW said our bond proposal is about a third of what would result in final costs. Meshkin said the HBPW proposal and Laketown electronics proposed were nearly identical for cost per mile. Difference between theirs and ours were miles being built, theirs was \$45mil and ours was \$9mil. City was hoping for more subscribers – they needed 39.4% participation take rate and we needed 0 take rate because it would be paid for that through taxes. HBPW was building it into their monthly charges.

Mary Moon stated based on the dialogue of proposed Internet, she hopes the board will hold a special meeting or the committee will before any decision is made in the future.

Hoekman asked about people getting jobs, doesn't it have to be posted or put out to bid? Meshkin responded that it does not as we are not required by law to do so. If a contractor is giving us a fair price we may continue working with them.

Delaney reiterated that people would like to have a special meeting to understand the Felt Mansion and about the audit that is done at a cost of \$18,000. She would like it to be done sooner than September and would like to see it all. Meshkin said it is not possible to have it done sooner as there are many components to the audit schedule and it cannot be changed. Moon asked if the audit could be made available at the township office. Hoekman asked if the audit is reviewed in the regular meeting. Meshkin said the audit often results in some reconciliation but unless we had a CPA on staff, that will likely be the case.

Bosscher asked about the Fire Department budget and if there is a millage just for Fire and also Fire, Roads & Drains, how do you determine what is allocated to each category. Meshkin responded that 2 mils are for Fire, Roads & Drains and 1mil for just the Fire Department. We have over the years

had to reduce drain debt and dedicate more to roads because road resurfacing costs have escalated at a higher rate than the rate of property values. We cannot pave the same amount of roads with the same amount of millage. Cost of road paving roads in the last 15-16 years has tripled and home values have not.

Marcia Perry of 6248 Blue Star Highway stated that she has been involved to greater and lesser degrees for last 15 years and been to a lot of meetings; wonderful to see influx of new people coming in. This process is something that is complicated and there is much to learn; many of you have never to come in and taking pot shots on a system that has been running well for a long time is not the best method. People want to help and look for a way to do that but coming in and trying to micromanage a business when many of you have little experience or knowledge and this board carefully considers everything. There are workshop meetings at which many things are explained. We are looking for ways to contribute and participate; citizen advisory committees are a great idea; that is a way to have input than just try to rip apart things. Government is not the adversary we have it because we have things we cannot do as individuals. If you are not satisfied then run for office. It is a thankless job for many of the board or commission members. Perry felt compelled to give perspective but is delighted with the influx of interest. Take time not just to attack but figure out a way you can contribute. People here are not trying to hide things from you. Perry applauded the board for their patience, they know their jobs.

Delaney asked the board members if they felt disrespected. Dewey said he sat on boards for 24 years stating it is not a matter of being attacked we have listened.

Supervisor Hofmeyer closed the public hearing.

Stielstra said for the sake of the residents that many of questions they raised the board raised in previous discussions and many of these same issues have come to light in past budget discussions. We consider it for its value to the township and everyone here is a taxpaying resident.

Howell said she takes it very seriously. She has been involved for 6 years and takes it very seriously. The Planning Commission could have hired a consultant for the Master Plan but chose not to due to the cost. We take spending this money very seriously and for anyone to think otherwise is offensive. Personally, she has spent hours looking for different options to provide Internet service, so yes, it is taken seriously.

Hofmeyer said Howell said many things he wanted to say. We do take things seriously as it is a serious business for every township in the state and he has worked for many cities and townships and Laketown is one of the best. The budget is only 6 pages and other budgets he has worked with have been 300 pages. This budget cannot get more transparent and there is a chart of accounts dictated by the state which must and have been followed. The board reviews the budget and spending monthly and it is taken seriously. In my opinion, tonight I am prepared to adopt a budget and will work with people who want more information. If you have questions about the budget or the mansion, Patty Meyer is not afraid to answer your questions. There are board and commission meetings every month and all are invited to attend. Bob Cook served for 26 years, an ideal way to get involved. There are wonderful things coming up on the Internet world but we will not rush into anything. Bosscher's note was an excellent way to offer options. We have done things frugally and he will be proud to adopt the budget.

Following discussion, **a motion was made by Dewey and seconded by Van Huis to approve the FY 2017-18 Budget. Supervisor Hofmeyer called for a vote on the motion. UNANIMOUS DECISION – MOTION APPROVED**

B. ZBA RESIGNATION

Terry Hofmeyer explained Bob Slikkers resigned from his position on the Zoning Board of Appeals as he accepted appointment as Chair of the Planning Commission, replacing Bob Cook. Following discussion **a motion was made by Howell and seconded by Stielstra to accept resignation. Supervisor Hofmeyer called for a vote on the motion. UNANIMOUS DECISION – MOTION APPROVED**

C. ZBA APPOINTMENT

Hofmeyer proposed appointment of Marcia Perry to the Zoning Board of Appeals.

Following discussion, **a motion was made by Van Huis and seconded by Dewey to approve appointment of Marcia Perry to the Zoning Board of Appeals. Supervisor Hofmeyer called for vote on the motion. UNANIMOUS DECISION – MOTION APPROVED**

ARTICLE VIII. CITIZEN’S COMMENTS - None

ARTICLE IX. ADJOURN

A motion was made by Dewey and seconded by Stielstra to adjourn the meeting at 11:15 P.M. UNANIMOUS DECISION – MOTION APPROVED