

CHARTER TOWNSHIP OF MERIDIAN
TOWNSHIP BOARD REGULAR MEETING - **APPROVED** -
5151 Marsh Road, Okemos, MI 48864-1198
853-4000, Town Hall Room
TUESDAY, OCTOBER 4, 2016 **6:00 P.M.**

PRESENT: Clerk Dreyfus, Treasurer Brixie, Trustees Scales, Styka, Veenstra
ABSENT: Supervisor LeGoff, Trustee Wilson
STAFF: Township Manager Frank Walsh, Assistant Township Manager/Director of Public Works and Engineering Derek Perry, Director of Community Planning & Development Mark Kieselbach, Police Chief David Hall, Fire Chief Fred Cowper, Finance Director Miriam Mattison, Director of Information and Technology Stephen Gebes

1. CALL MEETING TO ORDER

Clerk Dreyfus called the meeting to order at 6:00 P.M.

Treasurer Brixie moved to appoint Trustee Milton Scales as Supervisor Pro Tem for tonight's meeting. Seconded by Clerk Dreyfus.

Board discussion:

- Preference to appoint a Board member who has not served as Supervisor Pro Tem in his 12 years on the Township Board

Trustee Scales declined to serve as Supervisor Pro Tem for tonight's meeting.

Trustee Scales moved to appoint Trustee Veenstra as Supervisor Pro Tem for tonight's meeting. Seconded by Trustee Styka.

VOICE VOTE: Motion carried 5-0.

2. PLEDGE OF ALLEGIANCE/INTRODUCTIONS

Supervisor Pro Tem Veenstra led the Pledge of Allegiance.

3. ROLL CALL

The secretary called the roll of the Board.

4. PRESENTATION (None)

5. PUBLIC REMARKS

Supervisor Pro Tem Veenstra opened Public Remarks.

Neil Bowlby, 6020 Beechwood Drive, Okemos, displayed the graph again on the overhead projector showing the comparison between the investment returns by incumbent Treasurer Brixie v. Erik Lindquist when he served as Finance Director for Capital Area Transportation Authority (CATA). He stated he replotted numbers to place both Treasurer Brixie and Erik Lindquist on an equal percentage scale which revealed the Treasurer was earning approximately .8% total on fixed and non-fixed investments, Mr. Lindquist was nearly double that amount during his employment at CATA. Mr. Bowlby addressed a comment made by the current Treasurer during the debate regarding her qualifications, stating she indicated she took a three (3) year course to become a Michigan Certified Public Treasurer and another course to become a Certified Public Finance Investment Manager. He stated the Certified Public Treasurer course in Michigan extended over three (3) years, but consisted of three (3) one-week courses, while the Certified Public Finance Investment Manager required eight (8) hours of course work with a 75 question examination. Mr. Bowlby believed the education does not compare to Mr. Lindquist's Bachelor's Degree in Accounting and has spent 34 years in the accounting industry. He announced CATA is holding a

community information session tomorrow night from 6:00 to 7:00 p.m. at the Okemos Masonic Center, 2175 Hamilton Road, Okemos.

Karla Hudson, 6009 Skyline Drive, East Lansing, believed the CATA Bus Rapid Transit is being designed more like a streetscape and road system rather than a transportation project. She noted taxpayers will eventually pay for maintenance which will reduce funds to the other parts of the CATA bus system. Ms. Hudson addressed the design, alleging it creates a lack of connectivity to places riders need to go without walking a great distance (e.g., Sparrow Hospital) and will not meet up with other bus lines. She addressed the issue of safety for disabled riders who will be forced to cross Grand River Avenue with reduced medians. Ms. Hudson spoke to unanswered questions concerning accommodations for riders with disabilities (e.g., modifications for wheelchair users at shelters, talking ticket payment system, etc.) She stated that of the five (5) options presented, Option 5 appeared to be the only one acceptable. Ms. Hudson stated people in America like choice and residents have no choice in the Bus Rapid Transit (BRT) decision.

Ody Norkin, 3803 Sandlewood, Okemos, believed the proof is in the performance relative to the Treasurer position. He spoke to the fact the current Treasurer did not alert the Board to Municipal Employees Retirement System's (MERS) "fictitious" rate of return. Mr. Norkin urged residents not to reward Treasurer Brixie with a trophy of reelection, but support Erik Lindquist, a candidate with a CPA in finance and over 30 years of finance experience.

Donna Rose, 6207 Cobblers Drive, East Lansing, gave her opinion of the five (5) BRT options presented by CATA at its community information meeting. She stated although Option 5 is the one persons with disabilities could probably live with, she did not like the BRT plan as currently proposed and intends to send a letter to the Township Board in that regard. Ms. Rose urged the Board to request information on the different stops and who boards where within the BRT plan. Upon inquiry from Supervisor Pro Tem Veenstra, she explained where the BRT proposes to stop in East Lansing after it turns off Grand River Avenue onto Charles Street. Ms. Rose stated she was told by CATA that since Meridian Township residents are assessed a CATA millage, residents will pay for BRT costs in the future even though the BRT would not service the Township.

Trustee Scales suggested Donna Rose's CATA report should be an agenda item so she is not limited to the three (3) minute rule. Supervisor Pro Tem Veenstra believed her CATA report should be a regular agenda item in order for the Board to receive updates on Redi-Ride, line buses and the BRT.

Supervisor Pro Tem Veenstra closed Public Remarks.

6. TOWNSHIP MANAGER REPORT

Manager Walsh reported the following:

- Additional information on the Shaw Street property which was before the Board last meeting showed the lot is buildable if variances are sought and obtained from the Zoning Board of Appeals (ZBA)
- Township will place a minimum bid on the Shaw Street property when and if it goes to sale
- Schedule for the Okemos Pointe Brownfield process before the Board
- Okemos Pointe developer is aware of Board concern regarding inclusion of approximately \$600,000 in interest costs
- Township met with the owner and potential developer of the Walnut Hills Country Club property
- Most of the Walnut Hills property's 218 acres is zoned RR with a small amount of RAA on the north portion of the property
- Developer's concept for the Walnut Hills property is to construct a planned unit development (PUD) on property all zoned RAA
- Walnut Hills golf course, clubhouse and banquet facilities will remain in operation for 2017
- Update on the potential Costco development:
 - Meetings have been held with regard to the costs for Park Lake Road improvements and the

- Cost of realigning Merritt Road with Park Lake Road due to stacking which would occur on Saginaw Highway
- Wood Creek subdivision concern with sight lines to Costco may result in a berm
- Setback requirements
- Rezoning will be back before the East Lansing Planning Commission on October 28th

7. BOARD COMMENTS & REPORTS

Clerk Dreyfus reported the Election Commission met today and approved the election inspectors, receiving board member and three (3) absentee voter (AV) counting boards for the November 8th General Election. He reported the first mailing of absentee ballots were sent today to all residents who had previously requested one. Clerk Dreyfus reminded residents they can request an absentee ballot up until 4:00 P.M. on Monday, November 7th.

Treasurer Brixie reported on the success of the Township's Semi Annual Recycling Event on October 1st. She noted she received her Advanced Certified Public Funds Investment Manager Certification which included an exam after a one-day class.

Trustee Scales reminded citizens the deadline for voter registration is October 11, 2016.

Supervisor Pro Tem Veenstra inquired of Treasurer Brixie about a communication in the packet from a resident concerned with the technology used for water bill payments.

Treasurer Brixie replied most of the problems experienced by the resident in question were related to settings on his own computer.

Supervisor Pro Tem Veenstra also requested an explanation from the Treasurer regarding a communication in the packet from the Michigan State University Federal Credit Union (MSUFCU) relative to the ability of payments to be processed to Meridian Township using the Merchant Account Retrieval System. (MARS).

Treasurer Brixie stated the Treasurer's Office will not agree to allow the MSUFCU to electronically transfer Township property taxes from member accounts to the Township. She explained the Township already offers residents a free recurring electronic payment program to pay their utility bills and taxes. She noted the Township is exploring a reduction in cost for customers who enroll in the automatic utility bill electronic payment program.

8. APPROVAL OF AGENDA

Treasurer Brixie moved to approve the agenda as submitted. Seconded by Trustee Styka.

VOICE VOTE: Motion carried 5-0.

9. CONSENT AGENDA (SALMON)

Supervisor Pro Tem Veenstra reviewed the consent agenda.

Treasurer Brixie moved to amend the Consent Agenda as follows:

- **Move Agenda Item 9E: Set Public Hearing for Okemos Pointe Brownfield-October 18, 2016 to Action Item #12D.**

Seconded by Trustee Scales.

VOICE VOTE: Motion carried 4-1 (Supervisor Pro Tem Veenstra).

Treasurer Brixie moved to adopt the Consent Agenda as amended. Seconded by Trustee Styka.

ROLL CALL VOTE: YEAS: Trustee Scales, Styka, Veenstra, Treasurer Brixie, Clerk Dreyfus
NAYS: None
Motion carried 5-0.

A. Communications

(1) Board Information (BI)

- BI-1 Linda Tellsch, 1793 Sherbrook Way, Haslett; RE: Sign up procedure to pay utility bill
- BI-2 Renee Korrey, 4633 Okemos Road, Okemos; RE: Erik Lindquist for Treasurer
- BI-3 Kevin Schumacher, 5868 Westminster Way, East Lansing; RE: Email exchange with Trustee Styka relative Park Lake Road
- BI-4 Neil Bowlby, 6020 Beechwood Drive, Haslett; RE: Email exchange with Director Guthrie relative to HOMTV's General Election Live Call-In Debate Schedule
- BI-5 Trustee Angela Wilson; RE: Email exchange with Clerk Dreyfus relative to Notice of Election Commission Meeting
- BI-6 Donna Rose, 6207 Cobblers Drive, East Lansing; RE: Email exchange with Debra Alexander, Assistant Executive Director of Capital Area Transportation Authority (CATA) relative to BRT stations and other questions
- BI-7 Kris Trudgen-Christensen, Senior Payment Services Specialist, Michigan State University Federal Credit Union, 3777 West Road, East Lansing; RE: Email exchange with Treasurer Brixie relative to Township participation in the credit union's Merchant Account Retrieval System (MARS)
- BI-8 Sandra Draggoo, CEO/Executive Director of CATA, 4615 Tranter Street, Lansing; RE: BRT Project

(2) Regional Linkage (RL)

- RL-1 Barb Byrum, Ingham County Clerk, 341 South Jefferson, Mason; RE: Draft Minutes of the Ingham County Election Commission meeting of September 8, 2016
- RL-2 Carolyn Rambo, Program Supervisor, State & Federal Surplus Property Program, Logistics & Operations Support Division, 3111 W. St. Joseph Street, Lansing; RE: State of Michigan Mibid Private Auction

Treasurer Brixie moved that the communications be received and placed on file, and any communications not already assigned for disposition be referred to the Township Manager or Supervisor for follow-up. Seconded by Trustee Styka.

ROLL CALL VOTE: YEAS: Trustee Scales, Styka, Veenstra, Treasurer Brixie, Clerk Dreyfus
 NAYS: None
 Motion carried 5-0.

B. Minutes

Treasurer Brixie moved to approve and ratify the minutes of the September 20, 2016 Regular Meeting as amended. Seconded by Trustee Styka.

ROLL CALL VOTE: YEAS: Trustee Scales, Styka, Veenstra, Treasurer Brixie, Clerk Dreyfus
 NAYS: None
 Motion carried 5-0.

C. Bills

Treasurer Brixie moved that the Township Board approve the Manager's Bills as follows:

Common Cash	\$ 199,231.64
Public Works	\$ 324,861.59
Trust & Agency	\$ 13,471,399.83
 Total Checks	 \$ 13,995,493.06

Credit Card Transactions	\$ 5,503.59
Total Purchases	<u>\$ 14,000,996.65</u>
ACH Payments	<u>\$ 534,123.47</u>

Seconded by Trustee Styka.

ROLL CALL VOTE: YEAS: Trustee Scales, Styka, Veenstra, Treasurer Brixie, Clerk Dreyfus
NAYS: None
Motion carried 5-0.

[Bill list in Official Minute Book]

D. Disposal of Surplus Vehicles

Treasurer Brixie moved to approve the sale of the following surplus Township vehicles at public auction, internet auction, or by sealed bid: Vehicle #26-10, 60-100, 197 and 195. Seconded by Trustee Styka.

ROLL CALL VOTE: YEAS: Trustee Scales, Styka, Veenstra, Treasurer Brixie, Clerk Dreyfus
NAYS: None
Motion carried 5-0.

10. QUESTIONS FOR THE ATTORNEY (None)

11. HEARINGS (None)

12. ACTION ITEMS

Supervisor Pro Tem Veenstra opened Public Remarks.

Neil Bowlby, 6020 Beechwood Drive, Haslett, stated the assessed value of the Land Preservation acquisition on the agenda is \$143,200. He questioned why the Township is paying \$162,500 for the three (3) parcels.

Wanda Bloomquist, Supervisor, Williamstown Township, 4990 Zimmer Road, Williamston, expressed her appreciation for the police services provided by the Meridian Police Department to her township.

Ody Norkin, 3803 Sandlewood, Okemos, voiced appreciation that Neil Bowlby researched the value of property the Township is considering for purchase. He spoke to the countless hours Mr. Bowlby devotes to our community.

Supervisor Pro Tem Veenstra closed Public Remarks.

A. Rezoning #16030 (Maniaci) 3690 Hulett Road RR (Rural Residential) to RAA (Single Family-Low Density), **Final Adoption**

Trustee Scales moved [and read into the record] NOW THEREFORE, BE IT RESOLVED THE TOWNSHIP BOARD OF THE CHARTER TOWNSHIP OF MERIDIAN hereby FINALLY ADOPTS Ordinance No. 2016-08, entitled "Ordinance Amending the Zoning District Map of Meridian Township pursuant to Rezoning Petition #16030 from RR (Rural Residential) to RAA (Single Family-Low Density).

BE IT FURTHER RESOLVED that the Clerk of the Charter Township of Meridian is directed to publish the Ordinance in the form in which it is FINALLY ADOPTED at least once prior to the next regular meeting of the Township Board.

Seconded by Trustee Styka.

Board discussion:

- Lot split changes the garage location from back yard to front yard and is in violation of Township ordinance

ROLL CALL VOTE: YEAS: Trustee Scales, Styka, Veenstra, Treasurer Brixie, Clerk Dreyfus
 NAYS: None
 Motion carried 5-0.

B. Williamstown Township Police Service Contract

Trustee Styka moved to approve the agreement to continue providing law enforcement services to Williamstown Township beginning January 1, 2017 through December 31, 2018 for the amount of \$216,723.00 per calendar year, plus \$56.17 per hour for emergency and non-emergency responses outside the 80 hours of weekly patrol and to authorize the Supervisor and Clerk to sign the agreement. Seconded by Trustee Scales.

Board discussion:

- Meridian Township has had a police service contract with Williamstown Township for several years
- Meridian Township receives full reimbursement for services rendered
- Exhibit A of the contract lists all of the services it provides to Williamstown Township as well as to Meridian Township residents

ROLL CALL VOTE: YEAS: Trustee Scales, Styka, Veenstra, Treasurer Brixie, Clerk Dreyfus
 NAYS: None
 Motion carried 5-0.

C. Land Preservation Acquisition Recommendation-Serafine Trust

Treasurer Brixie moved [and read into the record] NOW THEREFORE BE IT RESOLVED THE TOWNSHIP BOARD OF THE CHARTER TOWNSHIP OF MERIDIAN, INGHAM COUNTY, MICHIGAN, hereby approves the purchase of three parcels of land from the Estate of Eileen Serafine as shown on the attached maps with accompanying legal descriptions for parcels #33-02-02-29-126-001, 33-02-02-29-129-001, and 33-02-02-29-104-002 for the purchase price of \$162,500 and that a budget amendment be made from the Land Preservation Fund Balance to account number 209.000.000-971.000 to cover the transaction cost.

BE IT FURTHER RESOLVED the Township Board forwards the request to the Planning Commission for section 61 review of the properties for its October 24, 2016 meeting for approval as to their location, character and extent as a public ground or open space effective this date.

BE IT FURTHER RESOLVED the Township Board authorizes the Township Clerk, Township Attorney and Township Manager to ratify the agreement entered into with the Estate of Eileen Serafine, Jan Serafine (“seller”) and to take all further actions deemed necessary to close such transaction for acceptance of these parcels.

Seconded by Clerk Dreyfus.

Board discussion:

- Twice the amount of the state equalized value (SEV) of the three (3) parcels is \$143,200 and the Land Preservation Advisory Board (LPAB) ultimately offered more for the property
- Agreed upon selling price was \$22,000 less than the appraisal price of \$185,000
- Property is contiguous to one of the Township's larger preserves
- Property was of interest to individuals who desired to construct condominiums and apartments on site
- Property is located near multiple family housing
- The LPAB often offers below twice the SEV of the property
- The LPAB made an initial offer less than twice the combined SEV
- Herron Creek runs through the property making it environmentally desirable

ROLL CALL VOTE: YEAS: Trustee Scales, Styka, Veenstra, Treasurer Brixie, Clerk Dreyfus
NAYS: None

Motion carried 5-0.

D. Set Public Hearing for Okemos Pointe Brownfield-October 18, 2016

Treasurer Brixie moved to hold a public hearing on the proposed Brownfield Plan for Okemos Pointe on October 18, 2016. Seconded by Trustee Scales.

Board and staff discussion:

- Every applicant has a right to request a public hearing
- Chronology for the approval process
- Brownfield plan will be presented to the Ingham County Brownfield Redevelopment Authority (ICBRA) on October 14, 2016
- Applicant to provide information to the Board on October 18, 2016
- Concern hampering a "steady flow" process may reflect to others who are considering investment in Meridian Township
- At least two (2) Board members expressed concern with inclusion of the interest costs
- Question as to why the Township does not have its own Brownfield Authority v. Ingham County capturing funds
- Board member preference for the applicant to provide detailed information to the Board prior to setting the public hearing
- Concern the chart depiction of the assessed value is not 50% of the market value
- Board member belief the Board is lacking "critical" information
- Board member belief the 15% contingency fee is too large and should be reduced to 5%
- ICBRA meets the morning of October 14th
- Board member request for the "results" of the ICBRA meeting of October 14th to be included in the October 18, 2016 Township Board packet

VOICE VOTE: Motion carried 4-1 (Supervisor Pro Tem Veenstra).

13. BOARD DISCUSSION ITEMS

Supervisor Pro Tem Veenstra opened Public Remarks.

Leonard Provencher, 5824 Buena Parkway, Haslett, believed one resident on the Transportation Commission who represents public transportation should be sufficient. He did not believe rail should be included in the commission as there are no rail stops in Meridian Township. Mr. Provencher believed the composition of the commission should be more diverse and a five (5) member commission is preferred.

Ody Norkin, 3803 Sandlewood, Okemos, agreed with Mr. Provencher there is no need for rail service representation on the prospective Transportation Commission. He expressed appreciation to Board members for considering a Transportation Commission, while voicing disappointment over the amount of time the Redi-Ride Review Committee spent meeting and yet "nothing" was accomplished.

Mr. Norkin believed there should not be any voting member on the commission who has the perception of a conflict of interest.

Donna Rose, 6207 Cobblers Drive, East Lansing, believed the Transportation Commission's focus should center only on items upon which the Township Board can vote. She requested she be a voting member on that committee while acknowledging she is also voting member on the CATA Board of Directors.

Karla Hudson, 6009 Skyline Drive, East Lansing, expressed disappointment with the results from the Redi-Ride Review Committee, but is encouraged over the creation of a Transportation Commission. She relayed there are still problems with Redi-Ride which must be addressed by the Transportation Commission.

Supervisor Pro Tem Veenstra closed Public Remarks.

A. Transportation Commission

Board discussion:

- Continued Board member concern with the inclusion of a rail services representative as it is not part of the charge with which the community is faced or a relevant public transit component of the Township
- Board member preference for a transportation specialist with a resume which indicates a professional in transportation (i.e., person from the academic community) who could take a data driven approach
- Board member preference not to have a person who is a voting member of the CATA Board of Directors serve on the Transportation Commission
- Preference for removal of a general motorist as a member of the Transportation Commission to work towards a five-member commission
- Board member preference for rail service representation on the commission as one charge of the Transportation Commission should be to make recommendations to the Planning Commission and the Township Board as to transportation within the region and Meridian Township's role in that
- Administration has taken the proposed mission of the Transportation Commission to staff and they have no concerns at this time
- Inquiry if staff has ideas of what they would like the Transportation Commission to accomplish
- Once the Transportation Commission membership is formed by the Board, staff will assist the commission in their endeavors
- Board member preference for staggered terms at the onset of a five-member Transportation Commission
- Board member concern with instituting qualifications for serving on the commission as it is her belief it moves away from general public participation
- Board member preference for everyday people to serve the public in this capacity
- Inclusion of a member who represents rail service was borne out of a Township issue with rail noise and access to rail services
- Board member preference to distinguish between a regular CATA user, regular Redi-Ride user and regular Spec-Tran user in selecting membership of the commission
- Possibility of substituting a Spec-Tran user with a rail user
- Greatest accomplishment of the Redi-Ride Review Committee (RRRC) is the creation of the Transportation Commission as the RRRC recognized it could not fulfill its broad charge
- Transportation Commission will be the body to solve the transportation issues experienced by residents of Meridian Township
- Transportation Commission is the body which will be reflective of the community and provide advice and counsel to the Township Board
- Board member preference to initially make two (2) year appointments for a seven-member commission and then reevaluate at the conclusion of the two-year time period
- Concern with placing titles on the appointees so "silos" are not created

- Concern that titles will imply members are there to represent a particular interest and only that interest
- Preference for one (1) Township Board member to serve on the commission
- Board member preference not to appoint a representative for rail services, but keep that one position “open”
- Township Board has historically reviewed resumes and discussed areas of expertise when selecting appointees to various boards and commissions (e.g., Environmental Commission)
- Board member preference to look for appointees with areas of expertise in transportation
- Board member preference for this issue to be on for discussion one more time
- Many of the residents who have already expressed an interest in serving on the Transportation Commission have overlap in the types of transit they are currently using
- Charge of the Transportation Commission could include experience in one or more of the listed areas
- Board must be decisive when it places this issue on the agenda for action or the concept will fail
- Charge of the Transportation Commission must be “doable” or the commission will fail

It was the consensus of the Board to place this item on for action at its October 18, 2016 meeting.

14. FINAL PUBLIC REMARKS

Supervisor Pro Tem Veenstra opened Public Remarks.

Ali Damsaz, 743 Grand River Avenue, Okemos, spoke to improvements he has been seeking over the last six (6) years for his gas station located on the corner of Grand River Avenue and Van Atta Road, specifically the extension of water. He addressed Township denial of his request for a canopy over his new gas pumps without a fire suppression system in the canopy as there currently is no fire hydrant in front of the building. Mr. Damsaz pointed to St. Clair Shores and Portage as communities which waived the requirement and he hoped the Township would allow him the same latitude.

Leonard Provencher, 5824 Buena Parkway, Haslett, voiced his appreciation for communications from the public, as they are an integral part of the Board packet. He spoke to the email exchange between Donna Rose, Meridian Township’s recent appointee to the CATA Board of Directors, and CATA’s Assistant Executive Director Deborah Alexander as informative. Mr. Provencher mentioned the letter from Ingham County Clerk Barb Byrum where she spoke to Clerk Dreyfus’ performance of his election duties. He indicated he is pleased with Mr. Dreyfus’ performance as Clerk, indicating election results should not leave Meridian Township until they have been fully vetted and certified for accuracy. Mr. Provencher believed Ingham County Clerk Byrum and CATA’s Executive Director Sandra Draggoo’s letters were personal attacks on the Township Clerk.

Ody Norkin, 3803 Sandlewood, Okemos, stated the current Township Clerk is outstanding. He expressed disappointment conflict of interest was not discussed by the Board this evening relative to voting membership on the Transportation Commission. He believed the proposed BRT should be a topic of discussion among members of this new commission. Mr. Norkin urged Transportation Commission members to accept Township Manager Walsh’s willingness to bring to the table a high level educated discussion regarding the pros and cons of the BRT within the confines of the commission. He listed a number of issues which he believed should be included.

Neil Bowlby, 6020 Beechwood Drive, Okemos, commented on the letter in the packet from CATA Executive Director Sandra Draggoo. He clarified misleading comments she made about MSU’s position on the BRT and statements made by both the Clerk and Trustee Scales taken out of context. Mr. Bowlby offered his interpretation of statements Ms. Draggoo made in her letter.

Donna Rose, 6207 Cobblers Way, East Lansing, stated attacks on the Clerk are not called for. She voiced her disappointment Meridian Township does not have a vote on the BRT. She noted the BRT will change people’s lives and their ability to “get to” the places they need to go. Ms. Rose objected

to CATA's use of its resources on promotion of the BRT when that money would be better spent fixing Spec-Tran.

Supervisor Pro Tem Veenstra closed Public Remarks.

15. FINAL BOARD MEMBER COMMENT

Trustee Scales voiced appreciation to the Township's Police and Fire Department for their services last Sunday at Faith Lutheran Church.

Trustee Styka suggested a staff member meet with Mr. Damsaz to see if the Township can assist him in his endeavor regarding improvements to his gas stations.

Township Manager Walsh added Fire Chief Cowper is knowledgeable of the situation. He indicated he will get back to the Board once staff has met with the citizen.

Supervisor Pro Tem Veenstra addressed the statement in Ms. Draggoo's letter alleging the BRT was designed by the people. He believed the money CATA directly and indirectly collects from Meridian Township taxpayers is \$6 million, not the \$5.5 million mentioned earlier. Supervisor Pro Tem Veenstra agreed there should be no conflict of interest for appointees to the Transportation Commission. He believed the new Board will need to ask voters to approve more than a 1 mill property tax increase to pay off the Township's unfunded pension liability due to a lower return on investment than assumed by MERS. Supervisor Pro Tem Veenstra alleged the responsibility for the unfunded pension liability rests with former Township Manager Gerald Richards and Treasurer Brixie. He stated his personal opinion is that Treasurer Brixie should be "replaced" with Erik Lindquist, a professional who can aid the Township in "doing better in this area."

Treasurer Brixie objected to what she characterized as a "vicious attack". She clarified the then sitting Board (which included Trustee Veenstra and Clerk Dreyfus) received an audit dated April 27, 2011 which addressed employee compensation best practices. She noted comments recommended placing all new hires in a defined contribution plan or a hybrid retirement plan that caps annual employer contributions at 10% of base salary, as well as a 1.5 multiplier be used to determine employee pensions where applicable, with a 2.0 multiplier for employees who are not eligible for social security benefits. Treasurer Brixie also vehemently objected to Supervisor Pro Tem Veenstra's continuous declaration that he knew nothing about the pension crisis and it was her fault. She maintained she has spoken out about the unfunded pension liability more than any Board member and questioned whether Supervisor Pro Tem Veenstra's comments are because she is a female. Treasurer Brixie pointed to the fact she sits on the Township Pension Board and that body reduced the assumed rate of return from seven percent (7%) to six percent (6%) as 7% was not reasonable. She reported the Township's Pension Program, with one active employee, is in good shape and well-funded. Treasurer Brixie indicated each Board member has a fiduciary responsibility to the Township, which is vetted annually through the budget and audit. She added many municipalities throughout Michigan are in the same situation, stating the Township has made the payments MERS has required to be made. Treasurer Brixie suggested Board members work together to solve the pension problem.

Trustee Styka reminded fellow Board members they have heard Manager Walsh, on numerous occasions, explain in detail the Township's unfunded pension liability problem and his plan on how to resolve it. He added the plan espoused does not use MERS' assumed rate of return.

Manager Walsh explained the 7.75% assumed rate of return is not a Board decision, but one which rests with MERS. He noted the assumptions used by the Township over the last 18 months in formulating a plan are either 4% or 5.75%. Manager Walsh stated the "team" understands the problem, and they acknowledged an 80% pension (with final average compensation added to put the pension "up and over" 90%), and more than a 100% and above pension shortly thereafter is not sustainable. He believed the governing body and the public deserves more than one (1) option, so he is putting together four (4) plans to bring before the Board in the next 60-90 days. Manager Walsh confirmed the Township will be seeking additional revenue or it will require the loss of 18-20 employees.

Trustee Styka inquired as to the assumed rate of return used to calculate the request under consideration for a 1 mill increase in the tax rate.

Manager Walsh replied the calculation was based on a 5.75% assumed rate of return with benefit modifications. He indicated many different scenarios are currently being compiled. Manager Walsh reminded Board members and the public the Township's unfunded pension obligation is not nearly as bad as many communities throughout the state, and the problem will be solved by working together.

Clerk Dreyfus questioned the comments made by the Treasurer, noting that no other female who has served as a Board member of Meridian Township has made such a statement relative to gender. He likened it to presidential politics where the term is used as a type of defense mechanism. Clerk Dreyfus spoke to the irony of the Treasurer's statement regarding personal attacks having no place on the Board as he has been espousing that sentiment for the last four (4) years. He pointed to the most recent personal attack made by Treasurer Brixie at the last Board meeting which was directed toward him and unrelated to the agenda item being discussed, alleging there was a conflict of interest regarding his personal investments. Clerk Dreyfus spoke to the Treasurer's long list of disparaging comments made towards him since he took office as Clerk in 2008. He addressed the level of hypocrisy displayed by Treasurer Brixie, and urged Board members to treat one another with respect during disagreements. Clerk Dreyfus alleged her "tactics" have now spread to other members of the community. He believed if the Treasurer had followed his advice after the 2012 election, the Board would have had a much more collegial, creative and harmonious working relationship.

Clerk Dreyfus stated the Treasurer is not responsible for the circumstances with the unfunded pension liability as she did not cause the issue to occur. He believed her responsibility as Treasurer is one of being the expert on financial matters and should have been providing the Board with advice and counsel "along the way." Clerk Dreyfus disagreed with her assertion she was the most active Board member presenting pension information to fellow Board members. He noted that at least two (2) Board members have no collective memory of Treasurer Brixie discussing the pension issue with fellow Board members between 2008 and 2012. Clerk Dreyfus likened the financial statements which included foot note information about pensions with specialized accounting information to the Patriot Act passed in 2001, a 900 page bill presented to Congress at the 11th hour. He stated Board members as a whole are not financial experts and require the expertise of others to help them know what is important, something which was not done regarding the MERS pension until recently. Clerk Dreyfus characterized it as not fair and not appropriate to assume Board members can dig deeper than what is presented in the midst of a \$32 million budget which covers 11 departments. As a comparison, he stated it would be his responsibility to present a looming election problem during the budget process in order for other Board members to be fully informed. Clerk Dreyfus believed it necessary to look back to determine cause and effect on the pension situation in order to prevent it in the future. He stated Treasurer Brixie should have kept her "eye on the ball", watching the numbers during the 2008 recession and beyond to identify trends which should have been brought to the Board and Township Manager. Clerk Dreyfus recommended an oversight body to monitor the MERS pension system. He believed the critical question being asked in this election cycle is if a true financial professional would have been able to see "things" a nonprofessional could not.

16. ADJOURNMENT

Trustee Scales moved to adjourn. Seconded by Treasurer Brixie.

VOICE VOTE: Motion carried 5-0.

Supervisor Pro Tem Veenstra adjourned the meeting at 8:45 P.M.

JOHN VEENSTRA
TOWNSHIP SUPERVISOR PRO TEM

BRETT DREYFUS, CMMC
TOWNSHIP CLERK

Sandra K. Otto, Secretary