

**ANN ARBOR CHARTER TOWNSHIP
BOARD OF TRUSTEES MINUTES OF MEETING
MONDAY, JUNE 15, 2009**

I. CALL TO ORDER

The regular monthly meeting of the Ann Arbor Charter Township Board of Trustees was called to order by Supervisor Moran at 7:32 p.m. at the Township Hall, 3792 Pontiac Trail, Ann Arbor, Michigan, 48105.

Present: Supervisor Michael Moran, Clerk Rena Basch, Treasurer Della DiPietro, Trustees John Allison, Randolph Perry, Richard Dieterle, and Claudia Sedmak.

Also Present: Township Attorney Sandra Sorini Elser, Utilities Superintendent Rick Judkins and Fire Chief Rick Ericson.

II. CITIZEN PARTICIPATION -- No citizen signed up for participation.

III. APPROVAL OF MINUTES

Corrections to the 5/18/09 minutes: On page 3 under item D in the second line strike “outlook” and insert “output” and in the third line strike “existing township policy that has” and replace with “policies that have”. Correct the spelling of Andy Dalziel’s name. **Perry moved approval of the May 18, 2009 meeting minutes as amended. DiPietro seconded the motion which was adopted unanimously.**

Allison moved to amend the agenda to advance item VII.C after item III. DiPietro seconded the motion which was adopted unanimously.

VII.C. Traditions

Bill Davis presented the request for an amendment to the area plan and preliminary site plan for The Traditions PUD. Davis said the financial industry and markets have changed significantly therefore they are changing the project’s business model from entry-fee to rental in order to seek financing through the HUD/FHA mortgage insurance program. Davis explained the proposed rental community will continue to consist of a variety of housing types from single family villas/cottages to independent and assisted living. Davis presented a slide show of the new plans and concept of the project. Davis indicated the project would proceed in two phases with the construction of the villas and cottages during phase 2 provided the land can be split. Davis said if the land cannot be split then they will not be able to build the villas. Davis said they will have to apply for the Home for the Aged status and conduct a market study that meets HUD/FHA requirements.

The Township attorney advised the Board that any amendment to the PUD must go before the Planning Commission for ~~full~~ review. Moran asked the Board to remand the matter to the Planning Commission to determine if it is a major or minor change to the PUD area plan. **Basch moved to remand the matter to the Planning Commission to determine if it is a major or minor change to the site plan. Dieterle seconded the motion which was adopted unanimously.**

DiPietro moved to amend the agenda to advance item VII.B to be considered next on the agenda. Sedmak seconded the motion which was adopted unanimously.

B. Aastrom Biosciences, Inc.

Gerald Brennan Chief Financial Officer for Aastrom Biosciences, Inc. explained why the company has been unable to meet the IFT exemption requirement to employ a minimum of 10 new employees. Brennan said in June 2007 they had 67 employees nationally with 62 employees located in Ann Arbor Township. At the time the work force was growing and they were on an aggressive trajectory to expand their facilities. In May 2008 due to the downturn in the economy they were forced to reprioritize their clinical development program and decided to abandon their bone program to focus on cardio-vascular and limb ischemia stem cell research. In the process they had to terminate 20 employees but hired 10 new employees from Pfizer with different skills. Brennan said they have been controlling their expenses and would like to continue with the tax abatement until 2013. **Perry moved to amend the IFT agreement by striking items 5 and 6(ii). DiPietro seconded the motion which was adopted unanimously.**

V. FIRST QUARTER 2009 BUDGET REVIEW

Jerry Kruse presented the first quarter report for the 2009 budget. Kruse explained the position statement and revenue and expenditure report for the first quarter. Kruse said he had not recognized the final taxes ending March 31st and therefore they are not included in this report. Kruse said some of the expenditures seemed high due to a timing issue for items that are paid once a year. Kruse indicated there is nothing at this point to address a budget issue and there are no significant problems. Kruse added he changed the reporting format for the Utility Fund by preparing a revenue and expenditure report for all items except depreciation and capital outlay so that depreciation and capital outlay are out of the cash flow picture.

IV. PRESENTATION OF 2008 AUDIT

Ken Palka of Pfeffer, Hanniford & Palka, PC presented the 2008 audit. Palka said the audit consists of three reports which include a letter of comments, financial statement, and a color ~~handout ing book~~ of graphs and pie charts. Palka recommended a quarterly report for reconciling all diversified investments to the general ledger, developing procedures to prevent over payment of bills, and avoid ~~accepting-issuing~~ post dated checks. Palka also recommended safe guarding Township assets by improving security and advised the Board a new accounting standard for post employment benefits will need to be prepared for next year. Palka reported the General Fund had a total of \$1.2 million in revenues with expenditures of \$887,000 leaving a fund balance of \$2.7 million. The Public Safety Fund had a total of \$2.3 million in revenues with expenditures of \$549,000 leaving a fund balance of \$835,000. The Fire Fund had a total of \$271,752 in revenues with expenditures of \$1,068,000. Palka said \$945,000 was transferred from the Public Safety Fund to cover the loss leaving the Fire Department with an increase in their fund balance of \$148,000. The Building Department Fund had a total of \$176,000 with expenditures of \$162,000 leaving an increase in the fund balance of \$14,000. The Farmland Preservation Fund had a total of \$369,000 in revenues with expenditures of \$41,182. Palka indicated \$150,000 was transferred from this fund to pay back monies borrowed from the Utility Fund. Palka concluded with a brief overview of the graphs and pie charts which he explained is a different way of looking at the Township's financial statement.

VI. ANNEXATIONS, ORDINANCES, CONDITIONAL USES, ZONING

A. ORDINANCE, Adoption of the International Property Maintenance Code and Fee Schedule

Moran advised the Board the proposed ordinance has been approved on first reading and is before the Board for approval on second reading. The Township attorney advised the Board delinquent fees for rental inspection fees can be considered as a special assessment and placed on the tax rolls. The Township attorney said she would like to consult with Hamlin regarding this issue with the understanding that the Board has the option of amending the ordinance at a later date. **Basch moved approval of the adoption of the international property maintenance code on second reading with revisions to sections 104.7 and 14-81(b). DiPietro seconded the motion which was adopted unanimously. Perry moved approval of the fee schedule for the International Property Maintenance Code. Allison seconded the motion which was adopted unanimously.**

B. ORDINANCE, Storm Water Management Ordinance

Moran provided the Board with a shorter version of the proposed ordinance including the Township attorney's clarifications. Allison commented that some of the deletions were substantive in nature and recommended several revisions. **Basch moved to table the matter to allow the Township attorney to incorporate Allison's proposed amendments. DiPietro seconded the motion which was adopted unanimously.**

C. ORDINANCE AMENDMENT, CHAPTER 58, SECTION 58-72(b) and SECTION 58-113(a) of TOWNSHIP CODE-- Storm Water Management in Subdivisions

Allison moved to table the amendments to the storm water management and subdivision section . DiPietro seconded the motion which was adopted unanimously.

D. RELEASE FOR ANNEXATION

Moran advised the Board that owners John and Lisa Vasconi request release of vacant parcel I-09-34-160-007 for annexation to the City of Ann Arbor. **DiPietro moved approval for release of annexation of parcel I-09-34-160-007. Dieterle seconded the motion which was adopted unanimously.**

VII. APPOINTMENTS, RESOLUTIONS, REPORTS, DISCUSSIONS

A. Utilities Department Monthly Report

Judkins submitted a written report to the Board. Judkins reported the City of Ann Arbor has increased their water and sewer rates and to compensate the offset in the decline in usage and interest the Township will have to pass the costs on to its residents. Judkins requested the Board approve the increase in rates by .66 cents per unit for water and .59 cents per unit for sewer. **Allison moved to approve the Utility Committee's recommendation to set rates for water at \$4.42 per unit and sewer at \$4.59 per unit. Perry seconded the motion which was adopted unanimously.** Judkins also updated the Board on the Ayrshire sanitary sewer project.

D. Discussion of Proposal from Community Development for Green Low Income Housing Demonstration.

Moran reported Community Development is requesting that the Township allocate the next 3 years of Community Development Block Grant funding or \$30,000 in construction funding to help acquire property on Nixon Road for a green low income affordable housing demonstration project. Ann Arbor Parks is partnering with Washtenaw County Community Development to acquire the properties. Moran said the property will eventually be annexed to the City. The project will be funded by the City with affordable housing funds from the City, Ann Arbor Township, Washtenaw County and the park's department's greenbelt funding. **Perry moved to deny the request. Dieterle seconded the motion. The motion failed on a 2 to 5 vote with Perry and Dieterle voting in favor.** The Board decided they would like more information on the project from the Office of Community Development. **DiPietro moved to table the matter to invite Jennifer Hall Housing Manager for the Office of Community Development to a Board meeting to supply more information. Basch seconded the motion. The motion carried with Perry opposed.**

E. Contract for Sheriff's Deputies

Moran requested permission to sign the contract extending police services through December 31, 2010 at a 2% increase. **DiPietro moved approval to authorize the Supervisor to sign the contract extending police services through December 31, 2010 at a 2% increase. Perry seconded the motion which was adopted unanimously.**

F. SEMCOG Request for 2009-10 Dues

Dieterle moved approval to pay the membership fee of \$765 to SEMCOG. Sedmak seconded the motion which was adopted unanimously.

G. Huron River Watershed Council Request for 2009-2010 Dues

DiPietro moved approval to pay the proposed membership dues of \$441.50. Dieterle seconded the motion. The motion carried with Perry opposed.

H. Michigan Townships Association Request for 2009-2010 Dues

Allison move approval of the MTA dues in the amount of \$5,299 and legal defense discretionary assessment of \$317.94. Basch seconded the motion which was adopted unanimously.

I. Joint Resolution with City of Ann Arbor re Annexation Population Adjustments

Moran indicated this reflects annexation population adjustments for 2008 which has been checked by the assessor and clerk. **Allison moved approval of the joint resolution for properties that have been annexed in 2008. DiPietro seconded the motion which was adopted unanimously.**

J. Contract Pfeffer, Hanniford & Palka

Moran requested renewal of their contract to audit the Township for the years 2009-2011 with an increase of \$300 per year. Moran said he thought it was a very fair rate and recommended continuing with Pfeffer, Hanniford & Palka. **DiPietro moved approval of the contract. Perry seconded the motion which was adopted unanimously.**

K. Appointments to Planning Commission

Moran requested approval of his reappointment of the following persons to terms ending on the indicated dates: Diane O Connell (2011); Kris Olsson (2011); Lee Gorman (2012); and Jim Snyder (2012). **Allison moved to accept the Supervisor's recommendation to reappoint these Planning Commissioners for the dates indicated. Basch seconded the motion which was adopted unanimously.**

L. Public Safety**1. Fire Department**

Ericson thanked the Board and Township for all their support while he was on medical leave. Ericson updated the Board on the status of the Capital Improvement Plan. Ericson reported 2 new rescues are due in at the end of the month and the security issue has been addressed at Fire Station One. Ericson also reported the Township's ISO rating is suppose go down which should result in a reduction in residents' homeowner's insurance rates.

2. Sheriff Department - Sergeant P. Cook submitted a written report to the Board.

M. Supervisor's Report

Moran reported he is scheduled to meet with MDOT to try to resolve the issue of maintenance of the pedestrian path for the US 23/Geddes Road roundabout. The PALL/Gelman case is on-going and they are proposing to treat the plume with less water to a lesser degree and let it run toward Barton Pond with less monitoring. Moran said the MDEQ is recommending that Judge Shelton refuse the proposed modifications and the Township has submitted written as well as verbal objections to the proposed changes. Moran also reported on the Village Green enforcement issue regarding no grills on balconies, the proposed 4% increase for sheriff services in 2011, and the status of the Clark Road project.

N. Clerk's Report

Basch reported on the **M**inutes on **D**emand software program which will allow the Township to search minutes for agenda items and also allow staff to post items to the website. Basch said there is a \$500 annual fee however the company will waive the initial set up fee. Basch also reported on the email record retention guidelines from the Michigan Department of History, Arts and Libraries. The Board briefly reviewed the guidelines and proposed resolution for electronic mail retention policy and procedures. The Board decided it would be helpful to discuss the policy with staff and continue discussion before taking any action. **Allison moved to table the matter. DiPietro seconded the motion which was adopted unanimously.**

O. Treasurer's Report

DiPietro submitted a written report to the Board.

P. Planning Commission

Allison reported on the Planning Commission meeting held on June 1, 2009. The minutes were included in the Board's packets.

Q. Building Department

Hamlin submitted a written activity report to the Board.

R. Farmland Preservation Committee

Allison reported on the FOSPB meeting held on May 27, 2009. The minutes were included in the Board's packets. Allison also reported on restoration of the Township Barn and recommended remanding it again to the FOSPB to consider using it for the small farm initiative. **Allison moved to remand the matter to the FOSPB. DiPietro seconded the motion which was adopted unanimously.**

S. Approval of Claims Listings

Allison moved approval of the claims listing for June 1, 2009 in the amount of \$76,630.72. Sedmak seconded the motion which was adopted unanimously. Basch moved approval of the claims listing for June 10, 2009 in the amount of \$38,442.73. Allison seconded the motion which was adopted unanimously.

VIII. INFORMATION ONLY ITEMS - Items were included in the Board's packets.

IX. NON-AGENDA ITEMS

Moran reported the Board needs to decide if it wants to continue participation in the educational portion of the storm water phase 2 requirements by continuing to voluntarily submit information to residents. Moran also reported he requested a speed study for old Earhart Road. In 2008 the average speed was 52 mph and in 2009 the average speed was 51 mph. Moran said the WCRC is willing to post the speed at 50 mph but he told them he would prefer no posting at this time.

Judkins also reported on the status of the Sswift Run project.

X. PUBLIC COMMENT - None

XI. ADJOURNMENT - DiPietro moved to adjourn the meeting at 10:45 p.m.