

**Bellaire Village Council  
Meeting Minutes  
October 5, 2016**

1. **Call to Order:** President Schulz called the meeting to order at 7:00 PM.
2. **Pledge of Allegiance**
3. **Roll Call Attendance:**
  - Present:** President David Schulz, Council Trustees Dan Bennett, Eldon McPherson, David Ciganick, Bryan Hardy, Trish Drollinger and Helen Schuckel.
  - Absent:** None
  - Staff Present:** Cathy Odom, Treasurer & Chief Bill Drollinger.
  - Also Present:** Linda Gallagher, Tina Newsome, Brad Keiser, Heidi Shafer, Scott Kruger, Art & Leesa Cruse.
4. **Approval of Agenda:** The agenda was approved with the addition of new business item G, Proclamation.  
**Motion by Ciganick, seconded by Schuckel, to approve the agenda for October 5, 2016 with the addition of new business item g, Proclamation. Motion carried by voice vote.**
5. **Conflict of Interest:** None presented.
6. **Consent Agenda:** The consent agenda was approved.  
**Motion by Schuckel, seconded by Bennett, to approve the consent agenda as presented. Motion carried by voice vote.**
7. **Public Comment on Agenda Items:** None presented.
8. **Old Business:**
  - a) **Resolution #17 of 2016, Water/Sewer Rates:** Council approved new water & sewer rates at the last meeting. After reviewing procedure, this should have been done by resolution. Resolution #17 of 2016 is included in your packet for approval.  
**Motion by McPherson, seconded by Hardy, to approve Resolution #17 of 2016, approving new water and sewer rates. Motion carried by roll call vote. Ayes: McPherson, Hardy, Bennett, Ciganick, Drollinger, Schuckel & Schulz. Nays: None**
  - b) **Village Bank Accounts:** Several meetings ago motions were approved to reallocate where several Village accounts are located. Subsequent to this, Treasurer Odom had a conversation with Tom Lane from Alden Bank about the possibility of keeping the accounts at Alden Bank. FDIC insures up to \$500,000. Mr. Lane suggested a potential way to separate funds allowing for more coverage. Treasurer Odom spoke with the attorney and it was determined the Village wouldn't qualify for this option as we do not have a sewer authority. President Schulz noted that we will continue discussions and reallocating the funds so they would be insured. Trustee Drollinger asked if an authority could be developed.  
**Motion by Drollinger, seconded by Schulz, to look into the development of a sewer authority. Motion carried by voice vote.**
9. **New Business:**
  - a. **Heidi Shafer-Harbor Canal Project:** Heidi Shafer informed Council that about 10 years ago she was asked by residents along the Harbor Street canal to see if the storm drain that enters into the canal on the east end is one reason that makes the canal impassable. She said she spoke with Mr. Stead and was notified that the sediment in the drain was vacuumed out on a regular basis. Ms. Shafer's theory is that it was a possible past wetland where the sediment was removed and placed along the banks of the canal and retaining walls were built. The retaining walls are now deteriorating. She said she spoke with the residents along the canal to see if they wanted to work together to do something about it. Ms. Shafer applied for a grant, which was not awarded. Last

year, this project was addressed again. She explained the Watershed Center of Grand Traverse did an inventory of several communities' storm drains, the Village being one of them. They did this in hopes of working with communities on storm water issues because it is the number one pollution to waterways. The project would currently include dredging the canal, repairing retaining walls and possibly putting in a modified drain field, which might help protect the canal. This may allow us to treat the storm water before it went into the river. She spoke with Machine Engineering about a proposal for engineering services for these improvements. The engineering costs are \$80,100. Ms. Shafer also spoke with the Watershed Council of Grand Traverse and Tip of the Mitt Watershed Council seeking their help with the project. She said they may be able to help with some funding sources for the project itself, but not for the engineering costs. She said the initial study would be \$54,000. If the company continues to monitor the rest of the project, it would be the \$80,100. She is asking Council if they would like to pursue this further before any more work is put into it. She explained the sediment could be placed in drainage bags, dried and then used to build up the banks before retaining walls are repaired. It would require a cost share with the residents along the canal as they would have to stabilize their own banks. The Council discussed ownership of the properties and the canal and it was noted that the Village doesn't own any property in the area. Ms Shafer explained that this would be a long term project. Trustee Drollinger noted that it is a private issue and if we do anything with this, she would like to see a financial commitment from the property owners in the area. President Schulz noted that we have storm water runoff and we may have to consider putting in a mitigation system, but beyond that it is a private matter. He also said he would like to possibly see a workgroup that includes the DPW Supervisor. This workgroup could gather and provide more details of what might be needed. Trustee Ciganick agrees that this seems to be a private matter. Ms. Shafer also likes the idea of the workgroup to help gather more information.

- b. Tax Abatement Request-Crusecom:** Mr. Art Cruse from Crusecom provided material to explain his company and his request for tax abatement. He provided information about his company, beginning with website design and then expanding to the call center in 2004 in Oscoda, Michigan. He said he is trying to create more jobs. He wants to expand the company into another rural area and chose Bellaire. He would like to move into the Papa K's building, develop a new parking lot and employ customer service representatives with a starting wage of about \$10.00 per hour. Leads and supervisors will average a little higher wage. The cost of the project is estimated to be close to \$1,000,000 and he will use local general contractors. He is looking to purchase 4 different lots. He said Council should look at accountability and why they are asking for the tax abatement. He said they are an established company, financially secure, they work with an established major prime contractor and they already have a long term facility in Oscoda, Michigan. He is requesting tax abatement for 12 years; ten (10) years at 100% and 50% for the remaining 2 years. He explained that they have been working with the State of Michigan and mentioned that the Village is included in their list of distressed areas. They will be open 24/7 and will have 3 shifts. He said he presented this information to Kearney Township also and would like to have an answer by October 28, 2016. President Schulz asked Tina Newsome how difficult it is to find employees to work at her employer's and she noted that they could not find employees. She also informed Council that she is from Oscoda and Crusecom was a good addition for them. President Schulz explained that it is difficult for Meadowbrook Medical Facility to also find employees. He said this is just to make Crusecom aware of the existing market situation. President Schulz explained that with the Village budget and their current obligations, we may find that other options have to be considered. One option being not to grant the full abatement. Mr. Cruse explained that they target those employees that need a sit down job. He will have 100 seats planned for inside the building and would like to hire at least 70 full time people. Trustee Bennett said as a Council member he has a fiduciary responsibility for the Village and has a difficult time giving 100% abatement for 10 years. He also noted that Council has not done this before with any other business and has concerns that if this is allowed, other requests will follow. President Schulz noted that a Michigan common law considers the Village a distressed area. He would like the Clerk to verify with the attorney that we are eligible. He stated we are starting the budget process and 100% abatement may not be feasible. Tax revenue would have to be reviewed before a decision can be made. Because he would like to know by the 28<sup>th</sup> of October, having a special

Council meeting was discussed. This issue was moved to the Administration Committee for review and a special meeting date will be discussed.

- c. **Phragmites-Craven Park:** Ms. Shafer from the Antrim Conservation District notified the Board that there is a patch of Phragmites that has returned in Craven Pond. They would like to cost share for eradicating it. The cost to the Village will be \$150.

**Motion by Hardy, seconded by Ciganick, to spend \$150 to treat the Phragmites at Craven Pond. Motion carried by voice vote.**

- d. **USDA Loan Rates:** The Village received notification from Ben Kladder at Fleis & Vandenbrink that the rate for a USDA loan for the sewer improvements has been lowered to 1.875% and would like to know if the Council would like to start the application process to lock in the low rate.

**Motion by Bennett, seconded by Hardy, to proceed with the USDA loan application to lock in the rate of 1.875%. Motion carried by voice vote.**

- e. **Glacial Hills Recreation Board:**

- **Plowing Request:** The Glacial Hills Board has approached the Village about the possibility of plowing the parking areas for the trail at Eckhardt & Orchard Hill. President Schulz stated that we have offered in-kind services, such as office space, in the past. Trustee McPherson informed Council that there is a core group of volunteers of 35 people. There are also approximately 1600 people a week that visit the trail system. President Schulz would like to check with Ken to see if this could be possible based on costs and time. Trustee Ciganick said he thinks Council would be surprised at the cost. Mr. Keiser informed Council that weekends are judgment calls. One guy comes in and only does certain streets, not all of them are done. He wonders if that will be a problem for them with President Schulz noting that we would have to let them know we have priorities and the parking lots would not be a priority. No further action was taken at this time.
- **Appropriation Request:** Trustee McPherson stated this was on the agenda in error and that the Board was not asking for any funding at this time. They were just checking into the availability of plowing.

- f. **Cemetery Bid:** We received one bid for the mowing of the cemetery. For comparison, staff put together costs for the previous part time employee that provided mowing services. President Schulz stated that he calculated some wage numbers for hiring a part time employee for three days a week and it turned out to be less expensive than the mowing bid from the contractor. It could be advertised as a seasonal position for the summer season. Trustee Drollinger would like to look at this during the budget process. No further action was taken.

- g. **Proclamation:** There is a young boy in the community that was diagnosed with an inoperable tumor and the Village received a request to approve a proclamation in his honor.

**Motion by Ciganick, seconded by McPherson, to approve a proclamation in honor of Payton Dennis. Motion carried by voice vote.**

#### 10. Discussion Items:

- a) **Brewery Impact on Treatment Plants:** We received some information from the engineer about the impact breweries are having on treatment plants. This was just presented to Council for review.
- b) **CVTRS-Formerly EVIP:** Clerk Luckett has completed the CVTRS documents and it is presented to Council for their review. Council should review and let the office know if there are any questions or changes that need to be made. It will be approved at the next Council meeting to be completed and sent in by the December 1, 2016 due date.

**11. Department/Committee Reports:**

- a) **Committee Reports:** Committee minutes were included in packets for review for those committees that have met.
- b) **Clerk/Planner:** Nothing presented.
- c) **Treasurer/Deputy Clerk:** Treasurer Odom informed Council that Mr. Thompson has been in contact with the company that previously completed the removal of the sludge from the ponds. They believe they could offer their services again for a lesser cost than originally determined. Mr. Keiser also let Council know that Mr. Thompson was also researching other curtain costs. Treasurer Odom also said that the last time we removed sludge we worked directly with the company.
- d) **Department of Public Works:** A written report was presented.
- e) **Police Department:** Nothing presented.

**12. Closing Member/Public Comment:** None presented.

**13. Adjourn:** Meeting adjourned at 8:26 P.M.

Compiled by Cathy Odom  
Minutes are subject to approval.

Approved: \_\_\_\_\_

Date: \_\_\_\_\_