

ADA TOWNSHIP BOARD MEETING  
MINUTES  
APRIL 8, 2013

Meeting was called to order by Supervisor Haga at 7:30 p.m. Members present: Supervisor Haga, Clerk Burton, Treasurer Rhoades, Trustee Proos, Trustee Jacobs, Trustee Smith, and Trustee LeBlanc. Also present: Planning Director Jim Ferro, Recording Secretary Dorothy Renegar, and 9 community members.

APPROVAL OF AGENDA

**Motion by Proos, supported by Rhoades, to approve the Agenda as presented. Yes – 7; No – 0; Absent – 0. Motion carried.**

PUBLIC HEARING MEETING-MELA VIA ROAD IMPROVEMENT  
SPECIAL ASSESSMENT DISTRICT NO. 1

**Motion by Proos, supported by LeBlanc, to proceed into the Public Hearing.**

Jennifer Marsh, 5169 Three Mile, concerned a precedent will be set by using tax dollars to pave roads, and there are a lot of other roads in the Township that need to be taken care of.

Karen Holt, 5701 Three Mile, stated she was concerned the Board has an estimate that doesn't reflect the actual cost of the paving; \$22,000 seems very low; also, is there a true financial need for these people to use tax dollars to pave their road; and this is precedent setting. She stated she is opposed to starting this practice.

Keith Bart, 6246 Three Mile, stated he agrees with what Karen Holt said.

Deborah Uranch, 5967 Knapp, stated Honey Creek is in terrible shape and should be looked at first before any private road; and it should be the concern of the developers or the owners of that private road.

Mike Homier, 2977 Mela Via Court, stated he understands the concerns but this is no different than any other concession allowed under Act 188, and all this is a short term loan to avoid a much longer term expense for the residents in the subdivision. He stated there are only six out of eight homes built, and if they don't create the special assessment district now the road is going to likely cost twice as much in the future to repave. Homier stated there is no risk to the Board, this is not precedent setting no matter what anyone tells you, and there are special assessment areas around the state. He stated this is, in essence, what the Township should be doing with taxpayer money, using it to help its residents. This is not a hand-out, simply a short term loan with expenses added to pave the road this year; and if you receive other requests you can review each request on its own merits. He stated he was there to request the assistance of the Township Board to move forward and get the road paved. Other people on private roads have the same opportunity to come to the Board and ask for a special assessment district; it's permitted by law. They've made the request, they've got a petition, there's no risk to the Township, and they simply want to get the road repaved.

Mark Ballinger, 5967 Knapp, stated it sounds like a hand-out and should be taken care of by the property owners and a bank, not the Township with our taxpayer money.

**Motion by LeBlanc, supported by Smith, to close the Public Hearing.**

Supervisor Haga stated Exhibit A shows the construction costs totaling \$30,070, based on bid cost information, and there will be an interest rate set for unpaid balance on the account for each of the residents.

**RESOLUTION R-040813-1, MELA VIA ROAD IMPROVEMENT SPECIAL ASSESSMENT DISTRICT NO. 1**

**Motion by Burton, supported by LeBlanc to approve Resolution R-040813-1, Mela Via Road Improvement Special Assessment District No. 1. Roll Call: Yes – 0; No - Jacobs, Smith, LeBlanc, Proos, Rhoades, Burton and Haga; Absent – 0. Resolution defeated.**

Mike Homier, President Homeowners Association, stated there is an LLC; the developer, who owns two lots, and individuals who own the remaining lots.

Trustee LeBlanc stated the developer owns one of the units and owns the corporation that owns two of the lots, which gives him 37% of the total number of units in the development; was concerned if that individual defaults on the assessment, the Township is left trying to get the money and is on the hook until those lots are sold. Also, typically a special assessment district is used where there is clearly a public purpose in establishing that assessment district; he had a hard time understanding the public purpose for

this special assessment district. He stated if we do this we are setting a precedent and it would be very difficult to say no to any other association or subdivision that comes along and asks for the same consideration.

Treasurer Rhoades expressed agreement with Trustee LeBlanc's comments. He stated as far as he knows the township has never had a developer who has not completed the job in a subdivision.

Trustee Jacobs stated she is not against special assessments, but is concerned we're being told there is no risk involved when research shows under Act MCL 211.78k, if the property is transferred at a tax sale, any out-standing unpaid special assessment is canceled to become uncollectible. She stated there is some risk out there, and if four parcels are owned by a corporation and/or private owners, that's a great deal of money. She was concerned, as stated in the Resolution, if the cost exceeds the original cost by 10%, we would have to have this hearing all over again. Her biggest concern was the risk.

Trustee Proos stated he is not against assessments, but by its very nature an assessment is something that is required when there is really an expense. He was concerned we may be setting some kind of precedent, and has a hard time saying yes to this.

Supervisor Haga stated this is a whole new process, and would have liked to see a policy before having to deal with this. He stated he is disappointed the developer did not follow through on his job.

Trustee Proos stated we should make sure special assessments serve the public with large dollars and large assessments. He stated the issue is whether this is the right thing to have a special assessment for, and for all the reasons stated he didn't think it was.

Jim Ferro, Planning Director, stated he agrees with much of what Mike Homier said but disagree with the point that the Township should have required a performance guarantee. He stated the zoning approval for this development was procedurally a site plan approval; it was a use permitted by right with limited discretion on the standards for review; the review criteria were limited to whether the development complies with the standards of the zoning regulations. The zoning did not require this road to be paved, it could have remained a gravel road; it was not a condition of approval that the road be paved. Ferro stated he did research to find out how frequently the statute is used around the state for private road improvements and found that several of them are in southeast Michigan. He stated the legislature has said the statute may be used for private roads, and that is a statement that they see "public purpose" there.

## **GENERAL TOWNSHIP BUSINESS**

### **CONSENT AGENDA**

#### **Approval of Minutes**

March 25, 2013 Regular Board Meeting

#### **Receive and File Various Reports/Communications**

1. Planning Commission Minutes-2/21/13; 2. Utility Advisory Board Minutes-2/21/13; 3. DDA Minutes-2/4/13; 4. Comcast Updates-3/15/13, 3/18/13, 3/26/13; 5. Kent District Library Minutes-2/21/13; 6. Ada Township Fire Department 2012 Annual Report; 7. Treasurer's Investment Report-2/28/13; 8. MTA Legislative Update-3/29/13.

**Motion by Rhoades, supported by Proos, to approve the Minutes, Reports and Communications under the Consent Agenda. Motion carried.**

## **APPROVAL OF WARRANTS**

### **ADA TOWNSHIP GENERAL WARRANTS**

Treasurer Rhoades reported receipts in the following amounts: Hand Checks: #101 \$3,072.74; #205 \$76,627.81; #208 \$1,308.19; #590 \$174.47; #591 \$417.84; #592 \$150.06; Total all Hand Checks: \$81,751.11; Warrants: #101 \$43,587.27; #205 \$33,381.66; #208 \$709.88; #211 \$368,463.78; #248 \$450.00; #590 \$215,518.12; #591 \$100,096.28; #592 \$95.27; Total Warrants: \$762,302.26. Total All Checks and Warrants: \$844,053.37.

**Motion by Proos, supported by LeBlanc, to approve the Warrant Report for April 8, 2013, in the total amount of \$844,053.37. Roll Call: Yes – Jacobs, Smith, LeBlanc, Proos, Rhoades, Burton and Haga; No – 0; Absent – 0. Motion carried.**

**PAYMENT #5-FULTON LIFT STATION**

Steve Groenenboom, Moore & Bruggink, stated the job was done ahead of schedule and under budget. He stated this pay estimate is for \$55,161.06 with a 5% retainage.

**Motion by Smith, supported by Jacobs, to approve Payment #5-Fulton Lift Station to Northwest Kent Mechanical Co. in the amount of \$55,161.06, to include the retainage of 5%.**

It was discussed since the project was substantially completed, the township hold the contracted retainage of 10% until the project is completed in full.

**Motion by Proos, supported by Jacobs, to amend the motion to hold 10% retainage, and adjust Payment #5 to \$38,361.42. Yes – 7; No – 0; Absent – 0. Motion carried.**

**Main Motion: Roll Call: Yes – Jacobs, Smith, LeBlanc, Proos, Rhoades, Burton and Haga; No – 0; Absent – 0. Motion carried as amended.**

**PAYMENT #1-FULTON STREET TRAIL EMBANKMENT**

Steve Groenenboom, Moore & Bruggink, stated this is the only pay recommendation for the additional embankment constructed by Kentwood Excavating last October while they were working on the Fulton Street bridge. He stated MDOT required Class 2, not Class 3 sand be brought in for fill, at a cost of 50¢ more per square yard, bringing the cost up by \$942.50.

**Motion by Proos, supported by LeBlanc, to approve Payment #1-Fulton Street Trail Embankment, payable to Kentwood Excavating, in the amount of \$17,907.50. Yes – Jacobs, Smith, LeBlanc, Proos, Rhoades, Burton and Haga; No – 0; Absent – 0. Motion carried.**

**PUBLIC COMMENT**

Frank Hoover, 700 Marbury, stated the purpose of the Board is to save money and do things properly, and it was previously brought up for discussion about health insurance and how some people opt out of it and they shouldn't be rewarded. He stated that if someone opts out, they've got a good reason. These people should be rewarded, and it will help the Township save between \$8,000 and \$10,000.

Mike Homier, 2977 Mela Via, thanked the Board for their consideration of the special assessment district. He stated one of the primary goals is to help the residents, and the township's risk would be negligible. He stated he doesn't understand what the disconnect is in helping residents with taxpayer dollars.

**BOARD COMMENT**

Trustee Smith noted she had some questions to ask the fire chief concerning the department's "First Responder" status.

Supervisor Haga stated we are classified as a First Responder Department and not an EMT Department.

Clerk Burton passed out an article about Ada from the Grand Rapids Magazine, called "A River Runs Through It."

Supervisor Haga stated there will be a trip to the completed Fulton Lift Station if anyone would like to take a tour.

**UNFINISHED BUSINESS**

None.

**ADJOURNMENT**

The meeting was adjourned at 8:00 p.m.

Respectfully submitted,

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Susan Burton, CMC  
Ada Township Clerk

RS/dr