

January 9, 2017

A Regular meeting of the Chocolay Township Board was held on Monday, January 9, 2017 at the Chocolay Township Hall, 5010 U S 41 South, Marquette, MI. Supervisor Bohjanen called the Township Board meeting to order at 5:30 p.m.

PLEDGE OF ALLEGIANCE.

TOWNSHIP BOARD.

PRESENT: Richard Bohjanen, Max Engle, Ben Zybert, Judy White, Mark Maki, Don Rhein.

ABSENT: David Lynch.

STAFF PRESENT: Steve Lawry, Mary Sanders, Suzanne Sundell, Dale Throenle, Scott Jennings, Pat Beck.

MINUTES – REGULAR MEETING DECEMBER 7, 2016.

Engle moved Rhein seconded to approve the minutes of the regular meeting of December 7, 2016 as presented.

MOTION CARRIED.

AGENDA ADDITIONS/DELETIONS.

White moved Zybert seconded to approve the agenda as presented.

MOTION CARRIED.

PUBLIC COMMENT.

Gail Varty, 208 Timberlane – Requested time to speak when agenda item XIV. C. Payment for Hydraulic Analysis Required by FEMA Flood Insurance Program for 208 Timber Lane is discussed.

ACCOUNTS PAYABLE.

Rhein moved Zybert seconded that bills totaling \$59,760.59 including checks numbered 21436-21469 and bills totaling \$54,683.00 including checks numbered 21470-21501 and bills totaling \$18,010.67 including checks numbered 21502-21524 are approved for payment.

MOTION CARRIED.

Trustee Maki had a question on what projects the Superior Watershed Partnership worked on this year in Chocolay Township. Manager Lawry indicated that it was included in the last Board update. They are looking for grants to work on river erosion problems, but over the past few years they have done mapping and erosion work on Lake Superior shoreline.

PAYROLL.

Zybert moved White seconded that the payroll for December 1, 2016 for \$31,623.74 including checks numbered 23563-23580 and 10406-10411 and ACH payments for Federal tax, State tax and MERS and December 2, 2016 longevity for \$2,505.32 including checks 23581-23592 and ACH

payments for Federal tax, State tax and MERS and December 15, 2016 for \$31,839.96 including checks numbered 23593-23610 and 10412-10417 and ACH payments for Federal tax, State tax and MERS and December 29, 2016 for \$53,893.25 including checks numbered 23611-23645 and 10418-10423 and ACH payments for Federal tax, State tax and MERS are approved for payment.  
MOTION CARRIED.

#### FINANCIAL REPORT- NOVEMBER 2016.

Engle moved Rhein seconded to approve the November 2016 financial report.  
MOTION CARRIED.

#### TREASURER'S REPORT/FUND WITHDRAWAL AND DEPOSIT REPORT.

Engle moved Rhein seconded to accept the Treasurer's report and the Fund Withdrawal and Deposit report.  
MOTION CARRIED.

#### U. P. 200 SLED DOG COMMITTEE PRESENTATION.

Tim Trowbridge representing the U P 200 Sled Dog Committee thanked the Board and residents of Chocolay Township for their past participation in the U P Sled Dog Race. The race has run through Chocolay Township for many years. The economic impact of this race to local communities is between one and two million dollars with some of it being spent in Chocolay Township. The Committee is always looking for sponsorship donations.

#### PLANNING INTERN PRESENTATION.

Molly Wetting, Chocolay Township Intern from Northern Michigan University presented her Chocolay Township project to the Board. Molly's project includes creating overlay maps of Silver Creek Recreation Areas. She completely updated the Township News You Can Use pamphlet. This pamphlet is distributed through the Township Office and on the Township website. She also updated the Township Annual Report. The last project that she worked on was the Chocolay Township Recreational Brochure; this is also on the Township website.

#### SUPERVISOR'S REPORT.

None.

#### BUREAU OF INDIAN AFFAIRS REQUEST FOR COMMENTS ON APPLICATION FOR TRUST STATUS FOR LAND IN CHOCOLAY TOWNSHIP.

Manager Lawry summarized the request for comments to Bureau of Indian Affairs on the request for Trust Status on KBIC land in Chocolay Township. At the December meeting the Chocolay Board requested a 30 day extension to gather more information. It is assumed that the project will go forward with or without Trust Status change. The taxable value of the property would increase from about \$124,000 to about \$2,980,000 if the property remains in non-trust after the expansion project is completed.

Board member questions/comments:

- The children that currently live on Trust property go to Marquette Public Schools, yet there is no school tax paid on the property. Jennifer Misegan, Council Vice President responded that the schools can apply for funds to offset this. They also receive 2% funds.

- What is the benefit to the Township or County if the property goes into Trust? Jennifer Misegan responded that the benefit to Chocolay Township would be an increase in 2% money, increase in growth of the community. Larry Denomie, Chief Executive Officer responded that once the casino is in place most often support businesses will want to build nearby, bringing more growth to the Township. How many jobs will this expansion bring? Larry Denomie responded that a minimum of 30-40 new jobs will be created.
- Is your pay base above minimum wage? Larry Denomie responded our goal is to pay above minimum wage for entry level jobs and above that for other positions.
- If the land goes to Trust Status, how does the Township know that all the building, sewer, water and other codes are being followed? Jennifer Misegan responded that Indian Health Services are regulated with Federal requirements. Often times the Tribal laws have requirements that are more restrictive than the local. We have our own building code inspector. The gaming commission also has regulations that we must follow.
- We received a letter from the United States Department of Interior stating that there is no change in land use anticipated. Jennifer Misegan responded that the process is such a lengthy process, and that statement was made before the plans were finalized. The application is in the process of being updated indicating change in land use.
- What is the impact or connection with the old airport property? Jennifer Misegan responded that property mentioned will not be allowed to be placed in Trust status. It is off the table at this point.
- Have you had zoning discussions with the Township? Larry Denomie responded that yes we have been working with Dale Throenle.

Comments from the public:

- Why will this property work better for a casino than the old airport property. Jennifer Misegan responded that a portion of the property in Chocolay Township is already in Trust and that none of the property at the old airport is in Trust.
- What are the benefits to the Tribe if the property becomes Trust land? Larry Denomie responded that employment issues, tax issues are much easier for the Tribe to work with. Manager Lawry responded that if all the land was in Trust then all the property would be following one set of rules and that would benefit the Tribe and the Township.
- There are still concerns about environmental impacts concerning water and sewer. Larry Denomie responded they are working with Indian Health Services to properly handle environmental issues.
- There are some residents that have no water on Kawbawgam Road. There have been studies done on the water issues in the area. Larry Denomie responded that the studies that they have had done recently show that water should not be a problem for the project.

White moved (no second) to stand mute on this issue.

Motion did not go to a vote without a second.

Maki moved White seconded to not concur with putting the proposed property in Trust so we have the ability to manage issues such as public water and traffic and zoning through our local regulatory process that anyone else would have to go through.

AYES: Maki, White, Zyburt.

NAYS: Rhein, Engle, Bohjanen.

MOTION FAILED.

Supervisor Bohjanen suggested that we follow the suggestion made in a letter from the State of Michigan on this issue, and make a list of concerns that we have, and recommend that a decision not be made until these concerns are addressed.

Manager Lawry clarified that this project is currently proceeding following local zoning ordinances, County building and health codes and the DEQ rules. It is expected that with the build out date of late 2017 the current project will be completed under all of those regulations before the Trust status is likely to be rendered. That would address the current project. If Trust status is granted then future projects could be done without the same process.

Engle moved Rhein seconded to not oppose the process for Trust application but ask that it not be put into Trust until the current project is complete.

ROLL CALL.

AYES: Rhein, Zyburt, Engle, Bohjanen.

NAYS: White, Maki.

MOTION CARRIED.

#### KEWEENAW BAY INDIAN COMMUNITY PROPOSAL FOR WATER SYSTEM IMPROVEMENTS.

The Tribe agreed to make any excess capacity of the new water system available to the Township to serve neighboring residences through a Township operated public water system. We have identified about 80 homes that could potentially be in range to serve them. They have estimated 20,000 gallons per day of capacity to serve others is available. The first step is to develop cost estimates and survey the residents in the area to determine if they are interested in abandoning their current wells and connecting to the water system.

Zyburt moved Engle seconded to authorize the Township Supervisor to execute the attached contract agreement with GEI Consultants of Michigan, P. C. for an amount not to exceed \$5,000.

MOTION CARRIED.

#### PAYMENT FOR HYDRAULIC ANALYSIS REQUIRED BY FEMA FLOOD INSURANCE PROGRAM FOR 208 TIMBER LANE.

After a long telephone conversation today with FEMA, the Varty's, Kurt Simandl from North Country Engineering, the Township Zoning Administrator, Manager and Supervisor we learned that FEMA is not willing to accept the hydraulic analysis that has been done. They want something that is far more complicated, FEMA has been very inflexible on this project. FEMA is not recognizing the local permits and blaming the Township for allowing even the potential for construction in a flood plain. We explained to FEMA that the Varty's have basically cleaned up a

junk yard on this property. We are sending court documents on the cleanup that has taken place on the property hoping that FEMA will have a change of mind.

Supervisor Bohjanen indicated that there is more than just the Varty's property involved. This could affect all properties that are in the flood way in Chocolay Township.

White moved Rhein seconded to authorize payment of \$1,806.25 to North Country Engineering for development of a hydraulic analysis of flood elevations of the Chocolay River in the vicinity of 208 Timber Lane, without such payment obligating the Township for payment of any further analysis required by FEMA or establishing a precedent for analysis of other locations.

MOTION CARRIED.

FIRST READING OF PROPOSED NEW ORDINANCE #62 ANIMAL CONTROL ORDINANCE.

Trustee Maki asked about the salmonella issues with chickens and did this Ordinance go back to the Planning Commission. Would this be in conflict with the zoning ordinance? Which local jurisdiction allows chickens in residential areas? Sands Township does. Have we had any complaints about chickens in the Township? We have not.

Engle moved Zybert seconded that after review of proposed Ordinance #62 and recommendations of the Township Planning Commission, the Board schedule a second reading on the proposed language as written of Ordinance #62 at its February 2017 meeting.

MOTION CARRIED. (Maki-no)

2016 GENERAL FUND BUDGET AMENDMENT #5 TO ACCOUNT FOR OFFICE OF HIGHWAY SAFETY GRANTS TO POLICE DEPARTMENT FOR OVERTIME ENFORCEMENT.

Maki moved Rhein seconded, that Whereas a budget was adopted by the Chocolay Township Board to govern the expenditures of anticipated general fund receipts within the township on November 4, 2015 for the next fiscal year, and Whereas as a result of unanticipated changes in revenues and/or needed expenditures, it is necessary to maintain a balanced budget between revenues and expenditures, Now Therefore, Be It Hereby Resolved, that the aforesaid budget be hereby modified as follows:

EXPENDITURE	PREVIOUS	CHANGE	AMENDED
Police Salary			
101.305.702	\$281,526.00	+\$4,172.75	\$285,698.75
REVENUE	PREVIOUS	CHANGE	AMENDED
Miscellaneous			
101.698	\$29,164.28	+\$4,172.75	\$ 33,337.03

ROLL CALL.

AYES: Maki, Rhein, White, Zybert, Engle, Bohjanen.

NAYS: None.

MOTION CARRIED.

2016 GENERAL FUND BUDGET AMENDMENT #6 TO TRANSFER SALARY CONTINGENCY TO POLICE DEPARTMENT SALARIES ACCOUNT.

Engle moved Maki seconded that Whereas, a budget was adopted by the Chocolay Township Board to govern the expenditures of anticipated general fund receipts within the township on November 4, 2015, for the next fiscal year, and, Whereas, as a result of unanticipated changes in revenues and/or needed expenditures, it is necessary to modify the aforesaid budget between revenues and expenditures, Now Therefore, Be It Hereby Resolved, that the aforesaid budget be hereby modified as follows:

EXPENDITURE	PREVIOUS	CHANGE	AMENDED
101.305.702 Police Department Salary	\$285,698.75	+\$26,000.00	\$311,698.75
101.285.952 Other General Government Salary Contingency	\$28,600.00	-\$ 26,000.00	\$ 2,600.00

ROLL CALL.

AYES: Rhein, White, Maki, Zyburt, Engle, Bohjanen.

NAYS: None.

MOTION CARRIED.

2016 CAPITAL IMPROVEMENT FUND BUDGET AMENDMENT #11 TO ACCOUNT FOR RECEIPT OF KEWEENAW BAY INDIAN COMMUNITY 2% GAMING FUNDS.

White moved Maki seconded that Whereas, a budget was adopted by the Chocolay Township Board to govern the anticipated Capital Improvement Fund receipts within the Township on November 4<sup>th</sup>, 2015 for fiscal year 2016, and Whereas, as a result of receipt of unanticipated revenue it is necessary to modify the aforesaid budget, Now Therefore, Be It Hereby Resolved, that the aforesaid budget be modified as follows:

ACCOUNT	PREVIOUS BUDGET	CHANGE	AMENDED BUDGET
REVENUE			
KBIC 2% Gaming Money			
401.000.582	\$ 40,000.00	+\$ 60,000.00	\$100,000.00
Police Vehicles			
401.305.981	\$ 58,643.27	+\$ 20,000.00	\$ 78,643.27
Fire Dept. Vehicles			
401.340.981	\$ 67,507.61	+\$ 30,000.00	\$ 97,507.61

Recreation & Properties

Land Improvements

401.756.972	\$ 35,703.55	+\$ 10,000.00	\$ 45,703.55
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With the \$10,000 in Land Improvements to be paid to the Cedar Tree Institute for implementation of the Zaagkii Project on public lands within Chocolay Township.

ROLL CALL.

AYES: Rhein, White, Maki, Zyburt, Engle, Bohjanen.

NAYS: None.

MOTION CARRIED.

RECOMMENDATION FROM PERSONNEL COMMITTEE ON POLICE OFFICER STARTING SALARY.

Maki moved Zyburt seconded to move Jeff Czarny to step two of pay grade three due to his years of experience.

MOTION CARRIED.

RECOMMENDATION FROM PERSONNEL COMMITTEE ON AD HOC COMMITTEE FOR POLICY REVIEW.

White moved Zyburt seconded to establish an ad hoc committee consisting of the personnel committee, the Manager and all department heads to incorporate all of Township policies into one document.

MOTION CARRIED.

AUTHORIZATION TO EXPEND CAPITAL IMPROVEMENT FUND DOLLARS FOR DIGITAL TABLETS FOR BOARD OF TRUSTEES AND PLANNING COMMISSION.

Engle moved Rhein seconded that the Planning/Zoning Director spend up to \$4,200 from the Technology budget 101.258.957 for the purchase of Tablets and supplies to be utilized for Township Board and Planning Commission board packets.

ROLL CALL.

AYES: Rhein, White, Maki, Zyburt, Engle, Bohjanen.

NAYS: None.

MOTION CARRIED.

AUTHORIZATION TO EXPEND CAPITAL IMPROVEMENT FUND FOR SHELVING AND LAPTOPS FOR THE ELECTIONS.

Maki moved Zyburt seconded that the Clerk expend up to \$1,900 from the Elections department in the Capital Improvement Fund 401.190.977 for shelving and two Election laptop computers.

ROLL CALL.

AYES: Rhein, White, Maki, Zyburt, Engle, Bohjanen.

NAYS: None.

MOTION CARRIED.

TOWNSHIP MANAGER'S ANNUAL EVALUATION AND COMPENSATION APPROVAL.

White moved Zyburt seconded to increase the Manager salary for 2017 by 1%.

MOTION CARRIED.

Trustee Maki asked questions of the Manager about Planning Commission appointment procedure, the Address Ordinance, Zoning violations and enforcement and vacation rentals. Trustee Maki will put his questions in writing so the Township Manager can respond.

PUBLIC COMMENT.

None.

INFORMATIONAL REPORTS AND COMMUNICATIONS.

- A. Minutes – Chocolay Township Planning Commission, Regular Meeting of November 21<sup>st</sup>, 2016.
- B. Minutes – Marquette Area Wastewater Treatment Authority, Regular Meeting of November 17<sup>th</sup>, 2016.
- C. Minutes – Marquette County Solid Waste Management Authority, Special Meeting of November 30<sup>th</sup>, 2016 Draft.
- D. Minutes – Minutes – US 41 Corridor Advisory Group, Regular Meeting of October 11<sup>th</sup>, 2016.
- E. Communication – Anonymous Re: Casino Expansion Project.
- F. Communication – Annual Report of Upper Peninsula Substance Enforcement Team.

Supervisor Bohjanen adjourned the meeting at 7:45 p.m.

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Max Engle, Clerk

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Richard Bohjanen, Supervisor