

Holly, Michigan
Village Council and Township Board of Trustees
Minutes of May 28, 2009 – Joint Meeting

Call to Order: Holly Village Council President Pete Clemens called the May 28, 2009 Joint Meeting of the Holly Village Council and the Holly Township Board of Trustees to order at or about 6:30 p.m. at Holly Woodlands, 3325 Grange Hall Road, Holly, Michigan.

Facilitator: Honorable Gene Schnelz

Roll Call:

Holly Village Council Members Present:

Pete Clemens, President
Reisa Hamilton
Pauline Kenner
Sandra Kleven
William Kuyk
Tom McKenney
Don Winglemire

Holly Township Board of Trustees

Members Present:

Jesse Lambert, Supervisor
Karin Winchester, Clerk
Mark Freeman, Treasurer
Janet Leslie, Trustee

Holly Township Members Absent:

Steve Ruth, Trustee

Others Present:

Marsha Powers, Holly Village Manager
Rollie Gackstetter, Holly Police Department
Chuck Moberg, President, Northridge Homeowners Assoc.
John Lauve
Jackie Campbell
LaLaine Kilbourn
George Barton
Janet Haight
James O'Brien
Judy Moberg
Susan Nassar, Clerk -Treasurer Village of Holly
Gloria DeLaney, Holly Woodlands
Vicky Freeman
Amy Mayhew, Fenton Press

Chief Jeremy Lintz (N.O.C.F.A.)
R. Kent Barnes
Chris Harbowy
Gordon Johnson
Larry Lilly
Bob Hoffman
Robert Rawa, Silverman Company
Marlo Davidson
Terry McRoberts
Ken Swisher
Charles Moberg, Jr.
Bob McKenney
Bev Ponton
Anna Troppens, Tri-County Times

A. Public Comment

Mr. Chuck Moberg, 821 Academy Road, Holly Township, noted the future sewer line extension along Grange Hall Road is possibly to facilitate Silverman Company. Currently five home owners on Academy Road have documents recorded with Oakland County, signed by Silverman Corporation, Holly Township and the Village of Holly for construction of about 850' of new sewer. He hopes nobody signs any new agreements with Silverman until the existing agreements have been honored. The sewer lines that are up there now are helter-skelter and in a state of sad repair. The individual homes are not metered and you cannot shut the water off at those particular homes. Although there are new water lines, because of economic times people have failed to connect to the water line.

Mr. Chris Harbowy indicated he lives in the Airport subdivision near the Silverman property that's on the south side of Grange Hall Road. Condominiums are there, but the houses in the back were never built. It's in the township and

not under the jurisdiction of the Holly Village Police Department. Word is out that Silverman won't prosecute trespassers and there are many trespassing incidents, including dumping. People are also riding off-road motorcycles out there with open headers and it's very loud. It's very low priority for the Michigan State Police (MSP). If the Village and Township do something together, that would be a nice place to start. The property should be turned into a park since it's right on the river.

Mr. John Lauve, 200 North Saginaw, Village of Holly, stated when the trailer park was started, it was illegally rezoned twice. The first time the trailer park objected to it so it was rezoned to a trailer park. Nobody knew about it so they let that go through. The communities cooperated and signed a 425 Agreement for the high school, in violation of the Attorney General's opinion. The high school gets police patrols and so on out there. The water resulted in a half a million dollar bond for village residents. Silverman City came along and the Township Planning Commission made it high density over the objection of the citizens. When the citizens petitioned for a referendum, they didn't want people to vote on it so it was refused and Judge Griffin and Helen White blocked that because you can only vote in Iraq, not in Holly. The Village agreed to help the Township with a deceptive water cost recovery program, which harmed the community and those who bought the properties. Then the Township turned over the Village water tower and land with a 425 Agreement. When the Village was asked for the Township park to be transferred with a 425 Agreement, the Village refused. The Village has also refused to share with the Township fire costs. The duplication of fire departments is of great importance. Now we're talking about a police cooperative project. Something should be done on the fire department issue because that's a greater cost and a duplication that's not needed for the size of community we have.

Mr. Gordon Johnson, 202 Grant Street, has resided in Holly for 20 years and pays Village taxes every year. He supported the 2 mills for the two special assessment millages. Now the Township wants to use our police department and not pay the overhead or the taxes. The chief should just put a phone block in so the numbers can't come in from the Township and be done with it.

Ms. Jackie Campbell, 807 Marianne, stated she does not want Village Council to give away police services for nothing more than equal fair share. Village residents have been dumped on over and over again. She will fight and do whatever she can and many residents say they will back her.

Mr. Larry Lilly, 110 Clarence Street, indicated a lot of positive things have happened since November with the three new Holly Township Board of Trustee members and one new Village Council member. It's fabulous that Township and Village officials are going to each other's meetings. A lot of good information can be picked up. There will be a mediator tonight who will be neutral and a lot will be accomplished. He'd like to hear only positive things tonight, nothing negative. That's where we've got to start.

In June it will be ten years that he's been going to both governments' meetings. His main goal and dedication has been to unite the whole Holly community and for the governments to serve the 10,000 residents. You have a 2 1/2 square mile village within a 36 square mile township. Anything that happens in the village affects the township. He thinks the Village should be paying rent just to live in the township. The rent would be \$802,855.76 to go into an emergency fund for the police department to service the 36 miles and the 10,000 residents. We have very knowledgeable, talented, experienced residents. Any hiring should be done within the community for police, fire, anything. We should utilize our residents and their talents. We haven't been doing that. Until you do, we're not going to succeed. He has documentation and tapes he's been collecting for 10 years. He'll donate them. You can learn a lot from it. The bottom line is you have to serve the 10,000 residents to succeed. You have to have a positive mindset.

He'd also like to see a sign at more meetings stating, "In God We Trust". For ten years he's also been praying that changes will be made. After ten years, someone else will have to go to the meetings, do follow-up and represent the 10,000 residents. He hopes you succeed here tonight because this is your last chance.

Mr. Harbowy reminded everyone the canoe race is June 7 at WaterWorks Park. There is a pleasure ride right after the canoe race. You can rent a canoe and take it down to Fenton. They will haul the canoe back and get participants back to Holly. He handed out information, indicating he would like to see the whole Village Council there.

Ms. LaLaine Kilbourn indicated she is chair of the Holly Township Planning Commission, though she is not speaking as an official of Holly Township tonight. The meeting is held tonight in the spirit of cooperation between the Village and the Township. She has noticed the front two rows were reserved for Village of Holly employees. Reserved seats were not really needed. If so, it should have been mutual.

Holly Village President Pete Clemens noted Ms. DeVault and Chief Lintz (N.O.C.F.A.) also had reserved seats.

Holly Township Trustee Janet Leslie indicated it was her idea to reserve seats so that department heads and other people with authority from each government would be closer to the microphones when asked for their input. It was meant as no slight to anyone, nor was it meant to offend the public.

Ms. Kilbourn stated if Holly Township needs police services, she doesn't mind paying for it. Village police services are the highest cost per person than many communities in Oakland County. There also has been a crime wave in the village over the last year. Village police say the crime in the area is coming from within the village, not outside the area, that village criminals are coming out into the township. The Village isn't controlling their own crime.

The Village has low-balled the estimate for police services to get a foot in the door. You will then have sewer and police for the whole Riverside development and your next step is probably annexation. She isn't in favor of that. She feels crime can be controlled better in the village so it doesn't move to the township and the township won't need police services.

President Clemens indicated the Village has made no formal estimate for police services to Holly Township. The estimate Ms. Kilbourn may be referring to was one of eight possible scenarios that could be done that was leaked out of the police department and is being used as a tool to create a false air of suspicion.

Mr. Lilly requested that public comment also be allowed at the end of the meeting.

B. Work Session Discussion

1. Police Services - contract

President Clemens welcomed the Honorable Judge Gene Schnelz to Holly, stating Judge Schnelz retired after serving 29 years as an Oakland County Circuit Court judge. He was chief judge for the 52nd District Court prior to that for 4 years. He had an active law practice for 17 years, where he represented 5 communities and the Walled Lake School District. The 5 communities were the Cities of Walled Lake and Wixom, the Villages of Wolverine Lake and Milford and the Township of Milford. He is currently Of Counsel at his son's law firm, Schnelz Wells, PC in Birmingham, Michigan where he does mediation and arbitration.

President Clemens noted that prior to the judge's arrival public comment was held and the next item for business is the work session discussion.

Honorable Gene Schnelz indicated as you get older, you appreciate democracy and the fact that our nation is the only nation in the world where people gather to deliberate and have an opportunity to control and govern themselves. You thank God for it; the alternative would be horrible. It's wonderful that Holly Village and Holly Township are having a joint meeting tonight. A number of years ago he represented the Village of Milford and Milford Township. Milford Township is probably as wealthy as the Village of Milford. He understands the Township of Holly has a number of problems as far as economic growth is concerned.

Milford Township has two tax bills. The Township is the summer bill, which pays for the school and Oakland County millages. In the winter bill, they pay for the police, fire, a senior center, a library, a trail, a CDT and a couple other things. Village of Milford residents pay the two Township bills, plus they pay an additional Village tax bill strictly for garbage, Village office, DPS, roads, et cetera. Milford Township has a fire department that provides service for the Village and the Village of Milford has a police department that provides service to the Township. The taxmen divvy it up according to the department budgets. He questioned whether Holly Township and Holly Village had the economic stability to begin talking about one fund for individual groups.

Holly Township Supervisor Jesse Lambert stated both communities have an active fire department; however, only the Village has police services. The Village would have to opt out of their fire services, receiving fire services from the Township and, in trade, providing police service for the Township.

Judge Schnelz was informed the Township's revenue is \$890,000.00 and the Village's is \$3.4 million.

Judge Schnelz stated if you want a hornet's nest, you tell fire departments who they're going to be with. He understands the situation is even deeper. He's been informed there is a large park in Holly that's divided down the middle; half in the Township and half in the Village, with a fence separating it. That doesn't sound like good friendship or fellowship. Having represented cities and villages, in a technical legal sense a village is a bastard government and conceivably has costs that are outrageous as a result of paying double taxation. There are alternatives of a city or an incorporated township where you would become one and theoretically pay an equal tax for equal services. That's not beyond the realm of possibility. It happened in Livonia, Novi and other areas. People may say we've never done that. If you don't go down to the next street, you won't see what's on it. It's something that can be developed.

President Clemens indicated a referendum vote was held regarding cityhood in 2002. It was turned down.

Judge Schnelz noted a tax base could be assimilated between both communities for the good of everyone. As an example, though he believes in fair employment for attorneys, if you get rid of one set of attorneys and combine the two fire departments so you only need one fire chief, you start to utilize material and manpower you didn't have before. Milford is almost a city the way they operate together.

If you can't get along in a park and split it down the middle, there are problems. We tore the Berlin Wall down a number of years ago. This community has a tremendous amount of blessings in just the lay of the land and contour. Holly is a very beautiful area. It's foolish to get into a discussion that can't reasonably be resolved.

He understands the biggest problem at this point in time is police services. Oakland County Sheriffs have indicated they won't be patrolling much anymore and the MSP is five miles away. The Village is paying for all the police and they're supposed to go out into the Township. Sheriff Bouchard is happy to give you a figure as to what it would take to police both Holly Village and Township and everyone would pay their particular share. Oakland County can hire the local police officers as deputies and he assumes the deputies would get pretty good benefits.

President Clemens indicated Oakland County Sheriffs would cost \$100,000.00 less than what it costs to operate the Village Police Department. That cost would cover patrols only and would be just within village limits. Crime investigation and other things fall under an a la carte menu. Any real savings could easily disappear.

Judge Schnelz stated you wouldn't do it to save money; you would do it to get the best protection for everybody. It would be a tragedy if someone in the Township had a crime committed against them and there was no police protection. An individual could die as a result of that. This happens too frequently in our society. You do unto others as you would have others do unto you and not do to others what you would not want done to you.

Economic conditions are a concern. Who would have guessed that General Motors would become Government Motors. During the Great Depression GM was the only company that continuously paid a dividend. Today people are losing jobs. We all wonder what is going to happen to our children and grandchildren. Now is not the time to sit and find differences. Now is the time to find a means and effort you can use to work together to go forward.

Holly Village Councilperson Tom McKenney indicated the Village has police protection. Some people in the township want police patrols.

President Clemens stated Holly Village recently made a decision to cease sending police into the Township except under extreme circumstances beginning June 30th of this year. There is a group working to form a special assessment district in the township to contract services with the Village police or the County sheriff; in essence, forming their own police department.

Judge Schnelz indicated that would be wasteful.

Trustee Leslie stated there are those in the township who recognize the possibilities of danger due to rising crime, declining economy and also the loss of 100 state troopers effective July 1st. There are those who are concerned about the endangerment of the township, but the majority of the Township Board does not share that concern. It's not an issue where both are struggling towards a solution; many in the township don't see a problem.

Holly Township Treasurer Mark Freeman indicated, due to the economy, it's highly unlikely the Township could get a millage passed for any reason at this time. That's the biggest obstacle. Police services for the Township are currently provided by Michigan State Police. The Holly Township government does not call Holly Police to respond in the township; the state police call them for mutual aid. The Village police also call the state police for mutual aid. The Village of Holly Police Department has legitimate liability concerns and concerns about the additional expense if their mutual aid calls are excessive. As a starting point you could establish a system where the Township can review the call list to establish a threshold and the Township would pay for anything in excess of a certain number of mutual aid calls.

Judge Schnelz noted nationally a lot of money is spent on defense. It seems individuals would be more interested in a millage if they felt they were not going to have police protection. In Novi they were going to buy a park and they were turned down 90/10. This is an entirely different situation. This is almost the rock and the hard place concept.

When you talk about raising taxes in these economic times, people get upset so they say cut services. How much duplication of services do you actually have? You lost money on the sewer and water improvements with residents paying higher bills as a result. He sincerely worries about our country. Our young people are leaving the state. The government is continuing to cut back. You have to take a positive attitude, despite naysayers, and say we're going to do something about it. The only way we can do something is to unify and work together. You can save money.

He can't believe the Township and Village were actually in litigation a few years ago, suing each other. He cannot understand any circumstances where that would happen. It would have been a lot cheaper to mediate it before filing suit. The attorneys on both sides are excellent attorneys, but they do what they're told to do.

Holly Village Councilperson William Kuyk indicated he was formerly on the North Oakland County Fire Authority (N.O.C.F.A.) Board. N.O.C.F.A. and the Village fire department are not duplicating services. The Village removed themselves from N.O.C.F.A. and retained their equipment and formed their own personnel. All they did was divide the pie in thirds and took their pie and put it on their plate. They have subsequently saved money by doing that. There were a lot of issues going on that were not being resolved by the N.O.C.F.A. Board.

Councilperson Kuyk stated the Oakland County Sheriff usually low-balls a bid to a community to get their foot in the door. After a year or two they raise the rates. Holly Village wasn't interested in that. The Village police go out

to the Township because they're deputized by the state police to do so. They don't have a problem doing that, with the exception of the liability and expense.

The cheapest thing the Village can offer the Township is to provide them with dispatch services for their fire and emergency services. They also have a police department, but would need to receive some form of reimbursement for servicing the township and something to indemnify the Village. The Township would have to take responsibility for whatever happened in their territory.

In denser populations there are more services people want. Farm owners have large property values and wouldn't necessarily receive a large value and wouldn't want to pay a millage. If there was a special assessment district that wanted more service, that could be used to give those folks what they want and not burden the rest of the Township.

Councilperson McKenney stated the Township Board has to determine whether they need police protection, where they need it and how they're going to pay for it. There can be no mutual aid between the state police and the Village. Mutual aid is governed by a statute and there has to be a mutual aid agreement. The state police don't enter into mutual aid agreements. There is no mutual aid relationship between the Village of Holly and the state police or the Village of Holly and Holly Township. Township residents are looking at an area where they want police services and they're looking at using the Village police services. That would be a benefit to everyone in the area. Tonight we're talking about what works for both sides with some efficiency. He doesn't understand why a vote isn't taken. The idea that someone wants a special assessment deserves some attention. These are home owners in a densely populated area who have had some problems.

Judge Schnelz indicated if you determine how much of the Village tax dollar per citizen goes to the police department and everybody in the township is equally assessed, you would get money to enlarge the police department so they could also patrol the township. It's common sense. It boils down to the simple question of why you would have a fence separating a park.

President Clemens stated the Township has a fence because they have a concession stand that gets broken into quite a bit. The Township also has an actual swimming beach with lifeguards.

It was indicated one fenced area is a play area, more of a place for basketball and games. The other is a swimming area.

Councilperson McKenney indicated one area is under the jurisdiction of the Township Park Board, which is an independent authority, and one is under the Village.

Councilperson Kuyk noted the fee to go into the township park pays for the lifeguard. The fence is also a protection because of the worry that when the lifeguard is not there, someone could go in and not come out.

Mr. Lilly stated right now we collect 2 mills for the police department. It passed in 2006 and went into effect in 2007. It's up again next year. If you renew the \$802,855.00, it can be used for an emergency fund for the police department to serve the 10,000 residents who live within the Holly community. That would show goodwill for everyone who lives in the township, including the village which is 2 ½ square miles in the township. We have to start positively tonight. It's great to have Judge Schnelz here tonight, who is neutral. What the judge has said is educational and will help the community. He recommends the 2 mills be put to a vote and renew it under the speculation it would serve the 10,000 residents in the township.

Judge Schnelz noted, as Benjamin Franklin said, if we don't hang together, we'll hang separately. In this economy and the world today, that's the feeling you get. One of the things that upsets people immediately is when somebody cuts in front of you while you're standing in line or you reach for something and someone else grabs it and takes it away from you. In essence, that's the psychology of what you're talking about here. You have the Village paying

for something and others want it for free. Solutions are very simple. With a regular election coming up, you just put it on the ballot. It's logical to say everybody pay a fair share.

Mr. Harbowy indicated there is a diminishing return on the efficiency of policing a small 2 ½ square mile area compared to a 36 square mile area. To patrol the far outskirts of Holly Township would cost more than patrolling anywhere in the Village.

Judge Schnelz noted the Village police have been doing it with no compensation. If you had money coming in from the Township, you could afford a larger police department who could then work in zones, keeping a car in a particular area. That's the way the sheriff's department works.

Police protection is not something frivolous. Yesterday a man stabbed another man and may have killed him for an unpaid debt of \$10.00. He read in the paper that a man was beaten and killed by his daughter because he had a roll in the refrigerator and told her not to eat it and she ate it. If you don't hang together, you're going to hang separately. You have a duty to do something about this. Democracy gives you that right to do these things. He would be willing to bet farm land is not selling for what it was. Homes are not selling. It's going to get worse. The situation is becoming desperate. The tax dollar isn't going to be there.

Councilperson McKenney stated that's a good reason to be looking for efficiencies.

Judge Schnelz agreed, adding you have to look for efficiency in every way possible. He represented five communities. Back in 1958 and 1959 the City of Walled Lake bought a grader and so did the City of Wixom. They're a mile apart. That's silly. Then Wolverine wanted their own grader and they bought a grader. Now you've got three graders. Then everything was paved and the graders are sitting there. It's ludicrous to do something like that. You might be able to service 10 people and 100 people with the same thing. You're a community.

Trustee Leslie questioned how you would get past the stance I'm not going to pay for your service until you start paying for mine. There's a neighboring Township who feels they don't want to contract for the Village police services unless the Village gives up their fire department and contracts for a fire department the particular Township shares with Holly Township.

Judge Schnelz stated you can go south a little bit and look at Milford. They are harmonious and have always operated out of one building, which is much more efficient than operating out of two. If the Holly community were one governmental unit, you would save a lot of time and money.

Mr. Harbowy questioned what services village residents receive for their township taxes.

President Clemens indicated village residents receive assessing and election services principally through Oakland County and work together with the library, parks and chloriding of dirt roads.

Mr. Lilly noted the Village is a home rule village with a seven member council. The seven member council has absolute power over 6,000 residents.

Judge Schnelz stated nothing in life is absolute. They have authority, which doesn't necessarily mean power. As Circuit Court Judge Bob Webster says, the first six months you're the captain of the ship. After that, you're baling. Holding a government office is a job you have to work hard at. You're making decisions that affect other people's lives. It's like pebbles in a pond. One word can make all the difference in people's lives and that's very frustrating.

President Clemens noted there is an election every two years so the absolute authority is limited.

Mr. Lilly stated the Village Council uses absolute power and it's a big problem here. He's been fighting it for ten years and it hasn't changed.

Judge Schnelz was asked his opinion which form of government was most efficient; a city or charter township. He indicated both are practical suggestions. You determine what you can do as a city or a township from the standpoint of bonding and other things. Holly Village has a history going back to Carrie Nation. You might lose that going to a Township. The old Orchard Lake area's name is the City of the Village of Orchard Lake. The Village wanted to become a city but wanted to keep the village in their name. They found that a city gave them more mechanisms to do things.

President Clemens stated a city brings in higher revenue sharing from Lansing. A charter township brings in the lowest amount.

Holly Township Clerk Karin Winchester noted the state claims township governments are more efficient than city or village governments.

Judge Schnelz stated because the state doesn't have to give back as much money to a township, the state feels township governments are more efficient.

Councilperson Kuyk commented that historically when the Village was established a school district could not be in a township, it had to be located in a village. Then the Village decided they wanted more control so they became a home rule village. That creates a problem with dissolving the Village because with a home rule village you're anchored to your position.

Judge Schnelz stated by vote you can change it.

Mr. Bob Hoffman noted if we all think we are one, special assessment, taxes and police issues become moot points. Detroit has an opportunity to have the state spend \$220 million to fix Cobo Hall. They voted against it because they don't want a regional authority. Cobo Hall is not going to pack up and move somewhere else, it's going to stay there. The same goes for Holly Village and Holly Township. You'll still have all the beautiful country and farms. The historical district will still remain the same. If it's determined that a city is the best avenue to become one and that's what the voters want, it shall be. We're all one community, Holly. The police and fire department should protect Holly. Village and Township offices should be consolidated to serve the citizens of Holly.

Judge Schnelz indicated Mr. Hoffman was 100% correct. You could take the Village of Holly and say we're going to take all of the economic growth and incorporate it and make that part of the city. You could consolidate 90% of the heavy tax base within the City of the Village of Holly. Then the outlying township would not pay city taxes and by like token the city won't be paying city taxes.

Treasurer Freeman noted then the problem is the Township wouldn't have a big enough tax base to support itself.

Judge Schnelz suggested then maybe they would want to join the city.

Discussion was held regarding the fact that this was done in Troy and Southfield and many other townships. Troy has beautiful fire and police departments and everybody is happy there.

Councilperson Kuyk stated it would be better to go the city direction than a charter township because a city gets more of the state revenue sharing funds, 3%. Tax money intake would be doubled.

Supervisor Lambert indicated there are two schools of thought in Holly. One is to become a city and another is to become a charter township. The issue cannot be resolved tonight. He likes Mr. Hoffman's point about thinking as one. After hearing about two of the biggest expenses for any government, police and fire, he suggested concentrating there. He would be happy to investigate millage data and do a cost analysis for some sort of trade for police and fire services. Passing a tax millage at this time would be difficult. We can lessen that burden by doing a

cooperative exchange. Long term, all of Holly will have police services. There is no doubt about it. Crime is up, unemployment is up. We should start there in terms of looking at some sort of exchange of services.

Clerk Winchester suggested a regional public safety.

Supervisor Lambert stated he would love to have one government run one community. It's rational, it makes sense and it's logical. Again, at this point in time Holly has two schools of thought that are pretty evenly split.

Trustee Leslie indicated there are two schools of thought partly because those who live in the outer township aren't interested in supporting, for example, the Department of Public Works because it doesn't apply to many residents who live on dirt roads. With Milford Village and Milford Township, we know it is possible to work together and have efficiencies without having to be one government. Given we have two cultures, that's the better way to approach this, starting with public safety. That's where the greatest need is.

Holly Village Councilperson Don Winglemire stated the Village police department is over a \$1 million operation. He doesn't know what the Township could trade with the Village because the Township doesn't own their fire department, they're in a partnership. The Township would have to deal with Rose Township to get their share out in order to swap fire services with police services. He doesn't think he will live long enough to see it.

Supervisor Lambert noted a millage may need to be instituted to pick up any difference. Anything involving N.O.C.F.A. would have to be discussed with Rose Township.

Judge Schnelz indicated the Township is faced with a situation where the Village says we're not providing police service to the Township. We should all help each other but there comes a time when you say why should we support you when you aren't helping support us. You tell kids go pick up your toys, they say, well, I'm only picking up my toys. You work together and you pick up all the toys.

Clerk Winchester stated the Township was not aware the Village was doing those kinds of calls into the Township. For years they would not come into the Township. They changed policy at some point and the Township did not learn about it until fairly recently. The Township has never asked for anything for free and doesn't expect something for free. We can work together to alleviate the situation.

Trustee Leslie indicated if the Township received a monthly report from the Village Police Department with exactly the nature of the calls, the frequencies, where they're located, it would give the Township a much better picture of the issue and the Township can apply solutions to that.

Clerk Winchester agreed and indicated then the Township could say under these circumstances we would like the Village to respond to the state police. The Township could get run reports and then reimburse.

Holly Village Councilperson Sandra Kleven stated the Village of Holly Police Department does not do patrols in the Township. They were only going out upon request by the MSP. Those types of things you would have to get from the state police.

Judge Schnelz noted Holly Police Department keeps records.

Councilperson McKenney stated the Village chief of police has developed a history of over two years of what the calls were. They were always emergency calls and always at the behest of the state police.

President Clemens indicated the Village will only cover calls in an officer down situation or in a situation where the duty officer determines it requires something more immediate, such as a life or death situation. If the Township wants something more than that, they have to decide.

Trustee Leslie stated if the Township is going to introduce the concept of Township-wide police protection or whatever the solution may be, it's going to take some time. It probably won't get on the ballot until 2010. In the meantime, we need to come up with a stopgap measure that's agreeable to both sides for just those emergency calls.

Ms. Campbell indicated village taxes are going into the Township's general fund. The Township's millage is not enough to pay for the fire department. People in the village do not have the right to vote on anything regarding the Township fire department, yet they take our money.

Treasurer Freeman stated when the Township was organized in 1838, under MCL 211.211 the Township was authorized to levy 1 mill for operational expenses and it's still 1 mill today. That's all the Township actually receives. The other millages that you see on your tax bill go directly to the library and parks & rec. The Holly Township Board has no authority over the library or the parks & rec; both elect their own boards and have their own budgets. Out of the 1 mill that goes to the Township, the Township provides elections on even numbered years, property assessing, chloriding the dirt roads inside village limits, recycling at Carl Richter Campus and Clean-up Days twice a year. When you talk about the shortfall to N.O.C.F.A., that comes out of the General Fund, but the Township earmarks their state revenue sharing for that. It does not come directly out of village taxpayers' money.

President Clemens indicated one could make the argument that N.O.C.F.A. expenses do come out of the village taxpayers' money. He thinks what Ms. Campbell was talking about is the Village of Holly is a unique community in that it's much larger than its surrounding township vis-a-vis population. So the mill they pay is a lot larger than Milford Village would be paying to Milford Township and there's money left over that goes into the Township's general fund. A general fund is like a bucket of water. All the money that goes in becomes a homogenous mixture. There's no way to say when you take money out it isn't village money.

Treasurer Freeman, responding to Judge Schnelz, stated a village resident can vote in a township election but a township resident cannot vote in a village election.

Ms. Kilbourn noted ten years ago the issue was raised that village taxpayers' money was paying for the outlying township fire services. The Township instituted a special assessment for the entire township specifically for fire. The Township does not take any village money out of the special fund for fire. We pay a special assessment strictly for that.

Trustee Leslie indicated the Township had to take \$70,000.00 from the general fund last year. Next year they will have to take \$50,000.00 out of the general fund to give to N.O.C.F.A.

Ms. Kilbourn stated the Village took their fire department away from the joint fire departments of Holly Township, Holly Village and Rose Township. There was a study just within the last year that told the Village fire department they should consolidate services. Instead of coming back to N.O.C.F.A., they now partner with Groveland Township. If you're looking at why our assessment isn't covering fire, it may be because the Village split off from N.O.C.F.A. and won't consolidate with the Township.

President Clemens indicated Ms. Kilbourn had a number of facts wrong. The county provided the study.

Supervisor Lambert noted the Township Board just approved a 10% hike for N.O.C.F.A. so the gap will be eliminated.

Clerk Winchester indicated you can do a further increase but you have to have public hearings.

Judge Schnelz stated everything costs money, but it doesn't necessarily have to be wasteful. When you have a duplication of services, it wastes money. If the Township wants a police department, they have alternatives; you can contract with the sheriff or state police. There are bills in the legislature to eliminate the state police. Detroit

legislators maintain the state police should only be an investigatory agent operating out of Lansing with labs throughout the state. If you just want to depend on the state police, right now the closest post does not give you a rapid response for someone in an emergency. He questioned whether the area had emergency services nearby.

President Clemens indicated the Village and Groveland Township are partners and Holly Township and Rose Township partner for their own emergency services. There is cross-over service between the two departments.

Clerk Winchester questioned what the Village's goal was for rescinding the decision not to come into the township for police services.

President Clemens indicated when the Village originally discussed restricting services into the township, he wanted to do it that night. Cooler heads prevailed and there was discussion about holding off and giving the chief a chance to institute new policies. This month the Village has not received a single call to respond in the Township. A number of people who live in the Township were hanging their hat on the fact that the Village was going to suspend it out to the 30th and they could come to the Township Board and persuade the Board to consider police services.

Clerk Winchester questioned whether the discussion Mr. Clemens had with Township residents was regarding police services in different areas or the whole township.

President Clemens indicated it would be for the whole township.

Councilperson McKenney stated there are different levels of services the Township may want. Grange Hall Road begs for regular patrol; it's a busy road, there are a lot of accidents. The Township has to tell the Village what they need.

Judge Schnelz indicated the Township also needs to figure out where they would get the money for police services. The Township Board would be shirking their duty if they don't ask the voting population whether they want police services. Townships are limited as to taxes they can levy. It's an older law that should possibly be changed and over the years many Townships have tried to change it. The old Michigan Municipal League used to lobby that on a regular basis. Too many small Townships said no. Morality, kindness and things of that nature cannot be legislated. You cannot say you're going to pay this when you don't have the authority. But you have a duty to make a proposal and let residents vote on it. If it doesn't work, you've done your duty. Any election would have to have criteria established within it saying you're going to get this, this, and that; you won't get this, this or that. Do you want it? If so, it requires X millage and you say what it's going to mean on your tax bill based on your assessment.

Treasurer Freeman stated the Township Board is trying to develop a survey to go out in tax bills to learn if it should be on the ballot in 2010.

Judge Schnelz indicated USA Today has polls on the Internet they want people to take. Polls are very easy when they come into your house and you say, no, I don't want a tax. Reasons aren't given for the poll. Leadership means you pull or you push, but you're in motion. You can't sit back and say I don't think it will ever pass. He's not criticizing, you may be 100% right. But you have to put it on the ballot, have campaigns and committees. Any school board millage sent to the population on a survey would come back 85% don't want to spend any more money on schools. But if you say we need this and this and it's going to be used for this purpose, it's passed. You educate so people are voting their pocketbook and also voting what their desires are. You have to establish a need.

Trustee Leslie noted the Township Board is trying to develop a survey to evaluate whether this is an issue that could be better addressed with special assessment districts or an issue that needs to be addressed township-wide. If the Township can get data from the Village on a regular basis, in addition to listening to public opinion, the Township can get a better picture.

Judge Schnelz stated because the Village votes in the Township election, Village residents may turn it down because it means an increase in tax to them. An exception needs to be made, saying this tax will only be upon the township.

Mr. Lilly, after being told to hold his comment, indicated the boards don't represent the 10,000 residents in the Holly community; they should be serving them and working for them. They're not doing it. He's been fighting it for 10 years.

Judge Schnelz indicated he has heard Mr. Lilly's comments over the years at probably every council meeting he ever went to. There's a degree of frustration, there's no question. Municipal employees are not getting big bucks, they have to make decisions and they're under stress and strain as a result of it. They'll have neighbors that get mad at them and they'll have neighbors who will love them. When you stick your neck out, you can get a hit or you can get a pat, it's that simple.

2. Water/sewer outside village limits

President Clemens indicated a group along Grange Hall Road would like to specially assess themselves to extend a water and sewer line down Grange Hall Road roughly half a mile to service commercial properties on both north and south sides of Grange Hall. This is an issue that primarily will be a Township issue as far as a special assessment district.

Supervisor Lambert stated water and sewer are part of a district under one agreement, but not under another.

Clerk Winchester indicated the Village and the Township have amended their agreement and the Village has agreed to extend. That's done. The way the water and sewer is run and who can tap in is being worked on.

Holly Village Manager Marsha Powers noted sewer and water goes to the corner parcel on Grange Hall and Fish Lake Road, not the whole area. The agreement with Silverman doesn't allow any other extension of water and sewer. Silverman's agreement expires in September of 2009.

Supervisor Lambert questioned how much the Village's bond was to improve the infrastructure of the water.

President Clemens stated the water was \$6 million.

Supervisor Lambert questioned whether enough users have been added to the system so it sustains itself.

President Clemens indicated there have been large increases in water and sewer fees to cover the bond payment.

Supervisor Lambert questioned what would lower the high water bills.

President Clemens indicated more users on the system would help drive costs down.

Supervisor Lambert questioned whether the Village Council would consider opening up the water and sewer to township residents so residents adjacent to a water or sewer line could pay the tap-in fee and begin paying for water and sewer services.

President Clemens stated he would defer to Village Council for that. He believes the more the merrier; the Village has to make up for 700 houses that were not built.

Holly Village Councilperson Reisa Hamilton noted she believes anybody who wants it and wants to pay for it should be able to have it.

Holly Village Councilperson Pauline Kenner agreed.

Councilperson Kleven agreed, stating they would have to pay the tap-in fee up front. They would also have to pay for any infrastructure that has to be done.

Councilperson Hamilton noted it only makes sense in some areas such as Riviera Shores where they have failing septic fields and have to put in expensive, engineered fields.

Councilperson McKenney indicated it's a very expensive proposition. There's also the law of unintended consequences. If you have a lot of development along Grange Hall Road, there's going to be a greater demand for public safety and police services. You don't need water and sewer where you don't have intense development. Where you have more intense development, you have more activity and more demand for public safety. When you talk about extending services, you can't assume it can be paid for. If you get that money on the table, you then have to say let's talk now about what's going to happen when the shopping center is built or when the senior citizens home is developed. Whatever it is that's developed out there, clearly there will be more in taxes but there could be more demand for public safety. The time to talk about it is when you draw up the plan. You can't look at the tax base as a windfall; there's going to be a demand for services.

Judge Schnelz noted taxes are never a windfall.

Councilperson Kuyk mentioned a gentleman expressed a problem with the sewer system on Academy. It was his understanding that was all supposed to have a proper sewer system. He questioned whether it was being addressed.

Supervisor Lambert noted there are a number of agreements that haven't been met by that particular company, a few of which have been solved since the new Board of Trustees came into office.

Clerk Winchester stated the improvements have been bonded. Legal counsel is working on having the developer come up with the balance of the money so the improvements can be done. It will have to be forced by the Township.

Judge Schnelz noted these are unusual times and you have to take unusual steps. In Wixom, the Oakland County Drain Commissioner took over their water and sewer. That happens a lot.

Treasurer Freeman questioned whether Silverman wanted the water and sewer put on their land in the Grange Hall Road area.

President Clemens indicated what the Village approved was a 1 ½ inch force main that services only the new Genisys Credit Union. A 1 ½ inch force main wouldn't be enough to pick up, for example, the bump shop who would like to put a wash rack in.

Supervisor Lambert noted he believes there are several other people in that area that would be more than happy to pay for installation of water and sewer. He questioned why it was approved to bypass the properties when it's perfectly rational to run water and sewer down the street and three or four commercial users can be added to alleviate costs.

President Clemens stated the Village wasn't approached by those three or four users until after the Silverman agreement was approved.

Councilperson Kuyk noted that agreement cannot be changed until after September 2009. Currently there is no facility going down Grange Hall Road. That would have to be built by someone. Whoever wanted that would have to pay for it.

Supervisor Lambert questioned what course of action would be needed for those who would like to hook up and start paying for the Village water and sewer services.

President Clemens indicated there would have to be a special assessment district set up after the agreement runs out in September. It will take the property owners time to get the petition language correct, get the petition out there, get the signatures and bring it to the Board. It's very doable by September.

Clerk Winchester noted she has given the petition to the property owners. She questioned whether the Village could provide a cost estimate to the Township once the Township determines the proposed special assessment area.

President Clemens stated he would think the petitioners would hire an engineer to get an estimate.

Councilperson Hamilton noted the petitioners wouldn't be tying into the same 1 ½ inch water line.

President Clemens indicated this would be for a new dedicated water and sewer line down Grange Hall Road.

Councilperson Hamilton questioned what the Silverman agreement had to do with a dedicated line down Grange Hall Road.

Councilperson Kuyk noted the Silverman agreement restricts the water and sewer in the area until September 2009.

Supervisor Lambert questioned whether water and sewer could be available to anybody willing to pay for it. It's cheaper to pay to have a line installed than pay double to redo septic and tile. There may be some unintended consequences, as Mr. McKenney stated. Adding users to the system would help alleviate the high cost of the bonds.

Councilperson McKenney indicated there is a difference between having a change in policy and having no policy; saying we'll sell water to anybody. Requests can be addressed as they come. We can't say water for sale everywhere. We have an aquifer to protect. There's infrastructure and pumps that have to be maintained.

Supervisor Lambert agreed, noting once you reach capacity at the plant, you either have to put more money into it or build another one, which is another long term unintended consequence.

President Clemens indicated any time the Village looks at moving their water system outside the village limits, he wants to see huge performance bonds.

Councilperson Kuyk added if they don't finish it, there will be a financial penalty so they have a lot of incentive to get it done.

Mr. Moberg stated when Pulte and Silverman built on Academy Road, the people that always had water have new water lines now at the east end. The last three houses toward Fish Lake Road have septic tanks. Shortly after the pipes were put in, the Village adopted a policy to deny new hook-ups. State law says you're allowed to connect if you're within 400'.

President Clemens indicated he doesn't believe the Village instituted the policy Mr. Moberg speaks of. If those people were told that, they were told it erroneously.

Councilperson Winglemire, upon questioning by President Clemens, agreed.

Mr. Harbowy noted Judge Schnelz has, over many years, worked with different forms of government. He questioned what type of government Judge Schnelz would pick.

Judge Schnelz indicated a city is the strongest form of government, then a home rule township.

3. Economic Development

President Clemens indicated the Village of Holly has a Downtown Development Authority and Chamber of Commerce.

Judge Schnelz noted there are other authorities available that you can do. In the current economic situation, he would not want to begin an economic development committee.

President Clemens added that it's difficult enough even in a good economy with all the communities trying to vie for the same economic dollars.

Judge Schnelz noted it's a good idea and you can always plan to have one in the future.

Ms. Campbell thanked Judge Schnelz, stating he has settled a lot this evening, especially about cityhood compared to a charter township and double taxation.

Mr. Lilly stated this was a very positive meeting, seeing everybody here at one time, without having to go to individual meetings. This can build a positive foundation for the whole community to get involved. He thanked Judge Schnelz for all the information. Mr. Lilly indicated he fought against cityhood and people turned it down. In the past he got 2,000 signatures to put on the ballot to dissolve the Village and the Village Council wouldn't put it on the ballot for Village and Township residents to vote on.

Ms. Kilbourn indicated the statement she made regarding crime within the village and township came specifically from the village police.

Judge Schnelz stated you find where the bars are and you'll find where the crime is. He was happy to join the meeting tonight. He sat as an attorney at all these various meetings of township boards, zoning boards, and taxing boards. He is amazed at the dedication of people like those on both the Township Board and Village Council. It is a great deal of dedication. You don't get glory. Someone commented to him once that's all small town stuff. It isn't all small town stuff. The council member, board member or commissioner who runs for state rep or congress can be suddenly sitting in congress. The same people that are sitting here are the same people who are sitting in congress today. If you think they're all geniuses, you've got another thought coming. You have to have a good spirit and be honest. That's the key to everything. He thanked the Holly community governments for the opportunity to spend time with everyone tonight.

Village Council members, Township Board members and the public expressed their thanks to Judge Schnelz, noting he was a good facilitator.

(Applause.)

Adjournment: President Pete Clemens, hearing no other business, adjourned the meeting at 8:41 p.m.

Zo Turner, Recording Secretary
Holly Township

Karin Winchester, CMC
Holly Township