

**REGULAR MEETING
LENOX TOWNSHIP BOARD OF TRUSTEES
MONDAY, AUGUST 1, 2016**

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| 1. CALL TO ORDER: | 4:00 PM |
| MEMBERS PRESENT: | Trombly, Kethe, Ottenbacher, Boyd, Turchi- 5:15 PM |
| ATTORNEY PRESENT: | Steven Joppich |
| RESIDENTS AND GUESTS PRESENT: | 14 |

2. PLEDGE OF ALLEGIANCE

3. APPROVAL OF MEETING AGENDA

One item was to be added to the Agenda under New Business, being d. Stewart, Beauvais & Whipple Audit Contract. Motion by Boyd seconded by Kethe to approve the agenda as amended. All Ayes. Motion passes.

4. APPROVAL OF MINUTES

Motion by Boyd seconded by Ottenbacher to approve the minutes from the Regular Meeting of 6-6-2016 as presented. All Ayes. Motion passes.

5. PUBLIC ANNOUNCEMENTS

Clerk Kethe reminded the public that tomorrow is Election Day, so it is important for everyone to come out and vote.

6. PUBLIC COMMENT

John Marino, from Scarefest Scream Park: Just letting you guys aware of the campout that we are doing like I did last year. I have a sheet, may I? Thank you.

7. CONSENT AGENDA

All items listed under this Consent Agenda are considered routine by the Township Board and will be enacted by one motion. According to established Township meeting rules, there will be no separate discussion of these items, unless a member of the Board or public so requests at or prior to the meeting, in which event the chair of the meeting may remove such item(s) from the Consent Agenda for discussion and consideration under Agenda Item No. 7, below. Approval of the Consent Agenda shall be by a majority roll call vote of those present and voting. Under the consent agenda are items a. Sheriff's Report, b. Fire Department Report, d. DPW Report, e. Code Enforcement Report, f. Assessing Department Report, g. Engineers Report, h. Library Report, i. Senior Center Report, j. Supervisor's Report, k. Treasurer's Report, l. Order and Bills in the amount of \$285,303.25, m. Trustee's Report.

Motion by Boyd seconded by Ottenbacher to approve the consent agenda to include the Orders and Bills in the amount of \$285,303.25. Roll Call: Boyd: . Aye, Ottenbacher . Aye, Kethe . Aye, Trombly . Aye. Motion passes.

8. ITEMS REMOVED FROM CONSENT AGENDA

There were no items removed from the Consent Agenda at this meeting.

9. UNFINISHED BUSINESS

There was no Unfinished Business to conduct at this meeting.

10. NEW BUSINESS

a. RICHMOND LENOX EMS AMBULANCE AUTHORITY PROMISSORY NOTE FUNDING AGREEMENT FOR FUTURE EMS TRANSIT FACILITY

Richmond Lenox EMS Director Jeff White explained that the Board is being asked to consider a funding agreement between the Ambulance Authority and the Township of Lenox for the new Transit and EMS Facility to be constructing on 32 Mile Road. Advertisements will go out for the building next week, a bid opening will be opened in early September, with bid award to be mid-September, demolition of the current structure slated for late September, and a groundbreaking on the new facility in early October. A couple things that could potentially delay this schedule are as follows:

The Request for Proposal (RFP) is currently being reviewed by SMART, as one of the partners in this project. If they do not find any issues with it, the bid advertisement can proceed.

The Engineers have provided an estimated cost of the new facility, if the bids come in considerably higher than those estimated amounts, a trip back to the drawing board would be necessary to size the building by what the EMS could afford. If that happens, it would be necessary to hold off on the groundbreaking until Spring 2017.

The Federal Transit Administration through SMART provided the EMS with the final approval for their portion of the funding, which is just over one million dollars, which allowed the EMS to put the entire project in motion. This agreement with Lenox Township was suggested by Lenox to the Ambulance Authority- that the Township would act as the loan agent for a portion of the building. The Township Attorney developed the agreement and it has been reviewed by two other attorneys and two auditors. Lenox Township would provide two million dollars for the construction of this facility and the Ambulance Authority would repay that over a 25-year period at the rate initially set at three percent. The rate would be reviewed at the end of the first five years to determine if there needs to be an adjustment made according to the Federal Prime Rate. There are two agreements, the first being the Funding Agreement and Promissory Note, and the other being the Mortgage Document on the property.

Clerk Kethe detailed that this agreement would be done instead of the Richmond Lenox EMS going to a bank requesting a mortgage, the Township would finance this with funds from the Pine Tree Acres Revenue Fund. The Township would receive a better interest rate than the money would gain through a bank, and the EMS would receive a lower interest rate than they would have going through a traditional bank. This is a win-win situation that was discussed and budgeted for.

White remarked that the EMS has never taken a loan from Lenox or anyone else that was not paid in advance. For the public to understand the benefit to the community, if this mortgage goes the full 25-years, and if the interest rate stays at three percent on this loan, the Township would receive over \$800,000 on its investment in interest payments. This is a good deal for everyone involved, and the Ambulance Authority hopes to pay this off early as they have done with most all of the loans in recent history. The document could be agreed upon and signed with today's date, the repayments would begin on January 15, 2017. Funds have been set aside to begin repayment even before the structure is built.

Motion by Kethe supported by Ottenbacher to approve going into a mortgage agreement with Richmond Lenox EMS Ambulance Authority for the construction of the new Ambulance Authority Building and SMART Transit Garage that would include the

funding agreement that has been presented coming from the Pine Tree Acres Revenue Fund. Roll Call Vote: Boyd- Aye, Ottenbacher- Aye, Kethe- Aye, Trombly- Aye. Motion passes.

b. RICHMOND LENOX EMS LOAN AGREEMENT FOR AMBULANCE PURCHASE

Richmond Lenox EMS Director Jeff White reported that one of the aging ambulances is in need of replacement. A 2011 Ambulance that was purchased with a promissory note from Lenox Township would be paid off early as the check was just placed in the mail. An ambulance takes approximately five months to construct from the time the purchase order is received; the ambulance would be ordered immediately if this agreement were approved. The Promissory Note and Funding and Security Agreement for that ambulance has been generated in the amount of \$169,967, to be repaid over 72 months or sooner with a 2.85% rate of return. White explained that Township Attorney Joppich had created an agreement for an ambulance purchase one year ago, that same contract was used, with dates and vehicle information being updated.

Motion by Boyd supported by Ottenbacher to approve the Promissory Note with Richmond Lenox EMS in the amount of \$169,967 for the purchase of a new ambulance. This includes the Security Note and the Promissory Note. The funding would be taken from the Pine Tree Acres Revenue Fund. Roll Call Vote: Boyd- Aye, Ottenbacher- Aye, Kethe- Aye, Trombly- Aye. Motion passes.

Comment from Director White: after tomorrow the complexity of the Board of Trustees begins to change, as two of the Board Members have decided not to run for the positions that they currently hold. On behalf of everyone at the EMS, I thank these members for their support. This Board has a tremendous legacy in the area particularly at the EMS. This Board has a legacy of seeing a Community Transit Operation start with a single vehicle and a few transports a year, to operating ten vehicles a day and transporting almost 30,000 riders at no cost to anyone who utilizes this service. This Board has a legacy of ensuring the residents of this Township do not have to look in their wallet when they call for an ambulance, because they have made sure that those bills are paid. Finally, the Board's true legacy is that of saving lives, and no one will ever be able to take that away from you. Thank you.

Kethe remarked that Jeff White forgot to say that he would now be the longest serving employee of the Township.

c. MICHIGAN FIRE INSPECTORS SOCIETY FALL EDUCATION CONFERENCE

Fire Chief Denny Fouchia explained that he sent a letter to the Board asking to attend the Fall Inspectors Conference, which is one of the seminars that he attends annually to gain continuing education credits for the State Fire Inspector Certification. The cost for conference including lunches would be \$356.80 and the cost of the hotel is \$304.95, totaling \$661.75.

Motion by Boyd seconded Kethe to approve the Fall Fire Inspectors Conference in the amount of \$661.75. All Ayes. Motion passes.

Fouchia remarked that the Fire Department has been very busy, and the run count is extremely high. After doing the calculations, the count is 23% higher than last year, for the month of July there were 63 runs, which is a monthly record.

d. STEWART, BEAUVAIS & WHIPPLE AUDIT CONTRACT 2015-2016

Clerk Kethe detailed that she and Treasurer Ottenbacher conducted research, and the cost for this audit would be roughly \$200 higher than last year.

Motion by Boyd supported by Kethe to approve Stewart, Beauvais & Whipple to conduct the audit in the amount of \$19,300, and to authorize Supervisor Trombly to sign the letter agreement. Roll Call Vote: Boyd- Aye, Ottenbacher- Aye, Kethe- Aye, Trombly- Aye. Motion passes.

11. PUBLIC COMMENT

No public comments were heard at this time.

12. CLOSED SESSION

1. FOR THE PURPOSES OF DISCUSSING CONFIDENTIAL ATTORNEY CLIENT PRIVILEGED COMMUNICATION FROM THE ATTORNEY'S OFFICE AND FOR THE PURPOSES OF DISCUSSING LITIGATION

Motion by Kethe supported by Boyd to enter into Closed Session at 4:29 PM. Roll Call Vote: Boyd- Aye, Ottenbacher- Aye, Kethe- Aye, Trombly- Aye. Motion passes.

Motion by Kethe supported by Boyd to return to Open Session at 5:25 PM. All Ayes. Motion passes.

Attorney Joppich explained that the Closed Session portion was to discuss two court related matters.

Lenox Township vs. Pachnik

A Final Judgement was presented in Closed Session settling that matter.

Motion by Kethe supported by Boyd to approve and authorize the Township Attorney to stipulate the Final Judgement of Lenox vs. Pachnik. All Ayes. Motion passes.

Lenox Township vs. Manchik

Attorney Joppich explained that there has been additional information offered by the defendants, as well as other information that was relevant to that item that was discussed in the Closed Session. He believes that additional time is necessary to review the information that has been presented, bringing this matter back to the Board for further consideration at their next meeting.

13. ADJOURNMENT

Motion by Boyd supported by Turchi to adjourn at 5:28 PM. All Ayes. Meeting adjourned.

Respectfully submitted,

Respectfully submitted,

Jodi Kethe
Clerk

Karen Kaltz
Recording Secretary