

CHARTER TOWNSHIP OF HAMPTON
REGULAR MEETING
DECEMBER 9, 2019

The regular meeting of the Charter Township of Hampton Board of Trustees was called to order at 7:00 p.m. by the Supervisor in the Boardroom of the Hampton Township Administrative Offices.

The pledge of allegiance was given to the flag.

The invocation was read and a moment of silence observed.

PRESENT: Close, Samyn, Wright, Wisniewski, DeWyse, Klass, Hugo

ABSENT: None

ALSO PRESENT: Benchley, Worden & 11 people in audience

Motion by Hugo seconded by Wisniewski that the minutes of the November 25, 2019 regular meeting be approved as printed and that the reading of the minutes be waived. Motion carried.

COMMUNICATIONS:

Motion by DeWyse seconded by Wisniewski that the DPW Reports for October 2019 and November 2019 be received. Motion carried.

AUDITORS REPORT:

Motion by Hugo seconded by Klass that the following warrants be approved for payment:

#46491 - #46542	General Fund	\$ 116,004.16
electronic transfer	John Hancock	14,665.22
#3165 - #3166	Building Fund	2,944.53
#4012 - #4017	Sewer Fund	22,295.29
#6735 - #6746	Tax Fund	10,486.10
#1684 - #1685	Water Fund	<u>278.02</u>
		\$ 166,673.32

AYES: Hugo, Klass, DeWyse, Wisniewski, Samyn, Wright, Close

NAYS: None

Motion carried.

OPEN TO THE PUBLIC:

No one addressed the Board.

UNFINISHED BUSINESS:

Motion by Hugo seconded by Klass to approve the employment agreement for Bryan Benchley Public Safety Director dated December 9, 2019.

AYES: Hugo, Klass, Wisniewski, DeWyse, Samyn, Wright, Close

NAYS: None

Motion carried.

Motion by Hugo seconded by DeWyse to approve an additional \$2,008.29 for the bull dozer repair by the INA Store.

AYES: Hugo, DeWyse, Wisniewski, Klass, Samyn, Wright, Close

NAYS: None

Motion carried.

NEW BUSINESS:

Motion by DeWyse seconded by Hugo that the 2020 budget be adopted as follows:

WHEREAS, a public hearing has been held by the Township Board of Trustees on said proposed budget preceded by not less than one week published notice as required by Section 26 of the Charter Township Act;

AND WHEREAS, all persons present at said public hearing were afforded an opportunity to be heard on said proposed budget;

AND WHEREAS, said proposed budget includes a complete financial plan for the next calendar year (2020) of the Township as detailed in Section 25 of the Charter Township Act;

AND WHEREAS, such proposed budget, as modified, is in the opinion of the Township Board, in the best interest of the Township and reasonable and proper;

NOW, THEREFORE, BE IT RESOLVED, that said budget, modified for the next calendar year (2020) of the Township, is hereby adopted to govern the expenditures of the Township funds during said period, by activity, except to the extent of any unallocated supplemental or surplus funds which, by subsequent board resolution, may be subsequently allocated or reallocated in the best interest of the Township.

NOW, THEREFORE, BE IT ALSO RESOLVED, that the Hampton Township operational millage

Rate is established at 5.0000 mills to be levied upon the Taxable Valuation of \$294,419,014.00 on the 2019 Winter Tax Roll for Hampton Township. This levy will generate revenue for the Township operational purposed of \$1,472,095.07 of which the Downtown Development Authority (DDA) will capture \$101,000.00 leaving a total of \$1,371,095.07. And that the Road Improvement Levy millage rate is .65 mills which will generate revenue for road improvements in the amount of \$191,372.36, of which the Downtown Development Authority (DDA) will capture \$3,410.13 leaving a total of \$187,962.23. And that the Public Safety Levy millage rate is 1.00 mills which will generate revenue for public safety in the amount of \$294,419.01. And a Drain Assessment generating \$117,787.61

GENERAL FUND	REVENUE	Expendable Fund Balance	1,675,500
		Revenue from Taxes	2,280,148
		Permits & Licenses	141,500
		State Revenues	886,480
		Interest & Rents	66,489
		Other Revenues	439,060
		TOTAL GENERAL FUND REVENUE:	5,489,177
	EXPENSE	101-Township Board	68,593
		171-Supervisor	84,750
		191-Elections	21,700
		201-GSA	66,974
		202-HRA	50,000
		209-Assessor	63,550
		210-Attorney	45,000
		211-Consultant	25,000
		215-Clerk	80,260
		245-GIS	600
		247-Board of Review	1,730
		253-Treasurer	79,550
		265-Hall & Grounds	165,265
		266-Community Building	16,580
		294-Public Relations	4,900
		301-Police Department	992,305
		336-Fire Department	391,140
		400-Planning Commission	19,927
		410-Board of Appeals	3,894
		441-DPW	562,550
		442-Ordinance Enforcement	8,640
		444-O&M Drain Contract	441,000
		446-Roads	-0-

447-Engineering	3,000
448-Street Lights	123,600
526-Transfer Station	151,615
751-Finn Road Park/Launch	78,790
752-Parks – Others	27,060
753-Railtrail	13,500
851-Insurance & Bonds	155,000
874-Retirement Benefits	175,000
890-Contingency	1,567,704

TOTAL GENERAL FUND EXPENSE: 5,489,177

BUILDING FUND	REVENUE	Expendable Fund Balance	55,000
		Permit Fees	90,000
		Interest	500

TOTAL BUILDING FUND REVENUE 145,500

EXPENSE	201-General Services	36,105
	371-Building Inspector	22,765
	372-Plumbing/Heating Inspector	27,870
	373-Electrical Inspector	10,439
	890-Contingency	48,321

TOTAL BUILDING FUND EXPENSE 145,500

ROAD FUND	REVENUE	Expendable Fund Balance	309,000
		Revenue from Taxes	191,500
		Interest	1,000

TOTAL ROAD FUND REVENUE 501,500

EXPENSE	446-Road Levy/Services	400,000
	890-Contingency	101,500

TOTAL ROAD FUND EXPENSE 501,500

DOWNTOWN DEVELOPMENT AUTHORITY
 DEBT SERVICE FUND

REVENUE	Expendable Fund Balance	10,280
	Interest	1
	Other Revenues	93,175

	TOTAL DEBT SERVICE REVENUE		103,456
	EXPENSE	800-Bond Payment	93,175
		890-Contingency	10,281
	TOTAL DEBT SERVICE EXPENSE		103,456
DOWNTOWN DEVELOPMENT AUTHORITY (DDA)	REVENUE	Expendable Fund Balance	172,039
		Revenue from Taxes	101,000
		Interest	35
	TOTAL DDA REVENUE		273,074
	EXPENSE	201-Office Expense	6,175
		210-Legal Fees	1,000
		211-Consultant	2,000
		447-Engineer	100
		865-Insurance	1,700
		890-Contingency	168,924
		900-Transfer to Debt Service	93,175
	TOTAL DDA EXPENSE		273,074
SEWER FUND	REVENUE	Expendable Fund Balance	2,652,445
		Program Revenues	2,750,000
		Interest	10,000
	TOTAL SEWER FUND REVENUE		5,412,445
	EXPENSE	492-ERR	70,000
		527-Sewage Disposal	824,000
		536-Sewer Operating	562,995
		851-Bonds	650,387
		890-Contingency	3,305,063
	TOTAL SEWER FUND EXPENSE		5,412,445

SAW GRANT FUND	REVENUE	Grant Proceeds	986,103
	TOTAL SAW GRANT FUND REVENUE		986,103
	EXPENSE	970-Capital Project	986,103
	TOTAL SAW GRANT EXPENSE		986,103
WATER FUND	REVENUE	Expendable Fund Balance	695,775
		Program Revenues	2,237,900
		Interest	8,000
	TOTAL WATER FUND REVENUE		2,941,675
	EXPENSE	537-Water	2,902,500
		890-Contingency	39,175
	TOTAL WATER FUND EXPENSE		2,941,675

AYES: DeWyse, Hugo, Klass, Wisniewski, Samyn, Wright, Close
 NAYS: None
 Motion carried.

Motion by Hugo seconded by DeWyse that the following resolutions be adopted:

RESOLUTION TO
 ESTABLISH TOWNSHIP OFFICERS SALARY

WHEREAS, pursuant to MCLA 41.95(3), which provides that in a township that does not hold an annual meeting, the salary for officers composing the township board shall be determined by the township board, and

WHEREAS, the Charter Township of Hampton Board of Trustees deems it desirable to adjust the salary of the township officials (Supervisor, Clerk & Treasurer) to ensure that compensation for this position remains equitable and commensurate with the duties of said elective office, and in an continued effort for internal comparability; now

THEREFORE BE IT RESOLVED, that as of January 1, 2020, the salary for the office of Hampton Township Supervisor, Clerk & Treasurer shall remain at \$57,013.81.

And

RESOLUTION TO
ESTABLISH TOWNSHIP OFFICERS SALARY

WHEREAS, pursuant to MCLA 41.95(3), which provides that in a township that does not hold an annual meeting, the salary for officers composing the township board shall be determined by the township board, and

WHEREAS, the Charter Township of Hampton Board of Trustees deems it desirable to adjust the salary of the township trustees to ensure that compensation for this position remains equitable and commensurate with the duties of said elective office, and in an continued effort for internal comparability; now

THEREFORE BE IT RESOLVED that as of January 1, 2020, the salary for the office of Hampton Township Trustees shall remain at \$5,896.69.

AYES: Hugo, DeWyse, Klass, Wisniewski, Samyn, Wright, Close

NAYS: None

Motion carried.

Motion by Wisniewski seconded by Hugo to approve the employment agreement with Robert Worden DPW Superintendent effective January 1, 2020.

AYES: Wisniewski, Hugo, DeWyse, Klass, Samyn, Wright, Close

NAYS: None

Motion carried.

Motion by Hugo seconded by Wisniewski to approve the purchase of five (5) laptops to be used as election poll books at a cost of \$3,400.00 from IT Right from the 2020 budget.

AYES: Hugo, Wisniewski, Klass, DeWyse, Samyn, Wright, Close

NAYS: None

Motion carried.

Motion by DeWyse seconded by Hugo that Ordinance No. 49A, an ordinance to provide a service charge in lieu of ad valorem tax for low and moderate income housing units, be introduced as follows:

HAMPTON CHARTER TOWNSHIP
BAY COUNTY, MICHIGAN

ORDINANCE NO. 49-A

AN ORDINANCE TO PROVIDE A SERVICE CHARGE IN LIEU OF
AD VALOREM TAX FOR LOW AND MODERATE INCOME HOUSING UNITS

Adopted: _____

Effective: _____

THE CHARTER TOWNSHIP OF HAMPTON
BAY COUNTY, MICHIGAN

ORDAINS:

An Ordinance to provide for a service charge in lieu of taxes for a housing project for low income persons and families to be financed with an Authority-aided Mortgage Loan or an advance or grant from the Authority pursuant to the provisions of the State Housing Development Authority Act of 1966 (1966 PA 346, as amended; MCL 125.1401, *et seq*) (the "Act").

SECTION 1. Title.

This Ordinance shall be known and cited as the Hampton Charter Township Tax Exemption and Payment in Lieu of Taxes Ordinance Center Ridge Arms.

SECTION 2. Preamble.

It is acknowledged that it is a proper public purpose of the State of Michigan and its political subdivisions to provide housing for its low income persons and families and to encourage the development of such housing by providing for a service charge in lieu of property taxes in accordance with the Act. The Township is authorized by this Act to establish or change the service charge to be paid in lieu of taxes by any or all classes of housing exempt from taxation under this Act at any amount it chooses, not to exceed the taxes that would be paid but for this Act. It is further acknowledged that such housing for low income persons and families is a public necessity, and as the Township will be benefited and improved by such housing, the encouragement of the same by providing real estate tax exemption for such housing is a valid public purpose. It is further acknowledged that the continuance of the provisions of this Ordinance for tax exemption and the service charge in lieu of all ad valorem taxes during the period contemplated in this Ordinance are essential to the determination of economic feasibility of the housing projects that are constructed or rehabilitated with financing extended in reliance on such tax exemption.

The Township acknowledges that the Sponsor (as defined below) has offered, subject to receipt of a Mortgage Loan from the Michigan State Housing Development Authority, to acquire and rehabilitate, own and operate a housing project identified as Center Ridge Arms on certain property located at 798 North Pine Road in the Township to serve low income persons and families, and that the Sponsor has offered to pay the Township on account of this housing project an annual service charge for public services in lieu of all ad valorem property taxes.

SECTION 3. Definitions.

- A. Authority means the Michigan State Housing Development Authority.

- B. Contract Rents means the total Contract Rents (as defined by the U.S. Department of Housing and Urban Development in regulations promulgated pursuant to Section 8 of the U.S. Housing Act of 1937, as amended) received in connection with the operation of a housing project during an agreed annual period, exclusive of Utilities.

- C. Low Income Persons and Families means persons and families eligible to move into a housing project.

- D. Mortgage Loan means a loan or grant made or to be made by the Authority to the Sponsor for the construction, rehabilitation, acquisition and/or permanent financing of the housing project, and secured by a mortgage on the housing project.

E. Sponsor means the joint venture between Bay County and MHT Housing, Inc., and any entity that receives or assumes a Mortgage Loan.

F. Utilities mean charges for gas, electric, water, sanitary sewer and other utilities furnished to the occupants that are paid by the housing project.

SECTION 4. Class of Housing Projects.

It is determined that the class of housing projects to which the tax exemption shall apply and for which a service charge shall be paid in lieu of such taxes shall be housing projects for Low Income Persons and Families that are financed with a Mortgage Loan by the Authority. It is further determined that Center Ridge Arms is of this class.

SECTION 5. Establishment of Annual Service Charge.

The housing project identified as Center Ridge Arms and the property on which it is located shall be exempt from all ad valorem property taxes from and after the commencement of rehabilitation. The Township acknowledges that the Sponsor and the Authority have established the economic feasibility of the housing project in reliance upon the enactment and continuing effect of this Ordinance, and the qualification of the housing project for exemption from all *ad valorem* property taxes and a payment in lieu of taxes as established in this Ordinance. Therefore, in consideration of the Sponsor's offer to rehabilitate and operate the housing project, the Township agrees to accept payment of an annual service charge for public services in lieu of all ad valorem property taxes. Subject to receipt of a Mortgage Loan, the annual service charge shall be equal to four percent (4%) of the Contract Rents actually collected by the housing project during each operating year.

SECTION 6. Contractual Effect of Ordinance.

Notwithstanding the provisions of section 15(a)(5) of the Act to the contrary, a contract between the Township and the Sponsor with the Authority as third party beneficiary under the contract, to provide tax exemption and accept payments in lieu of taxes, as previously described, is effectuated by enactment of this Ordinance.

SECTION 7. Limitation on the Payment of Annual Service Charge.

Notwithstanding Section 5, the service charge to be paid each year in lieu of taxes for the part of the housing project that is tax exempt, but which is occupied by other than low income persons or families, shall be equal to the full amount of the taxes which would be paid on that portion of the housing project if the housing project were not tax exempt.

SECTION 8. Payment of Service Charge.

The annual service charge in lieu of taxes as determined under this Ordinance shall be payable in the same manner as general property taxes are payable to the Township and distributed to the several units levying the general property tax in the same proportion as prevailed with the general property tax in the previous calendar year. The annual payment for each operating year shall be paid on or before July 20th of the following year. Collection procedures shall be in accordance with the provisions of the General Property Tax Act (1893 PA 206, as amended; MCL 211.1, *et seq*).

SECTION 9. Duration.

This Ordinance shall remain in effect and shall not terminate so long as a Mortgage Loan remains outstanding and unpaid.

SECTION 10. Severability.

The various sections and provisions of this Ordinance shall be deemed to be severable, and should any section or provision of this Ordinance be declared by any court of competent jurisdiction to be unconstitutional or invalid, the same shall not affect the validity of this Ordinance as a whole or any section or provision of this Ordinance, other than the section or provision so declared to be unconstitutional or invalid.

SECTION 11. Inconsistent Ordinances.

All ordinances or parts of ordinances inconsistent or in conflict with the provisions of this Ordinance are repealed to the extent of such inconsistency or conflict.

SECTION 12. Effective Date.

This Ordinance shall become effective upon publication following adoption.

TOWNSHIP CLERK

AYES: DeWyse, Hugo, Wisniewski, Klass, Samyn, Wright, Close
NAYS: None
Motion carried.

Motion by Hugo seconded by Klass to approve the year end employee incentives totaling \$24,500.00 for all township employees.

AYES: Hugo, Klass, DeWyse, Wisniewski, Samyn, Wright, Close
NAYS: None
Motion carried.

ATTORNEY REPORT:

Hewitt had no report.

ENGINEER REPORT:

Bartow was not present.

STANDING COMMITTEE REPORTS:

There were no standing committee reports.

OFFICER/TRUSTEE REPORTS:

Motion by DeWyse seconded by Hugo that the investment report be received from the Treasurer.
Motion carried.

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Trustees addressed: health care insurance for 2020; pumps at the ends of the roads – high ditches.

Supervisor discussed EDA grant and steering committee meeting; BCTOA meeting December 18, 2019.

OPEN TO THE PUBLIC:

Ron Sutton, 725 N. Powell Road, addressed the Board on the minimum usage charged on the water bill. Doesn't feel that there should be a minimum usage and asked when this started. Also addressed lead testing.

Sandy Satkowiak, 1180 N. Knight Road, addressed water billings.

Mary Smith, 1154 W. Hampton Road, also addressed water billing.

Ron Sutton, thanked Board for not raising transfer station fees.

Public portion of the meeting was closed.

Motion by Hugo seconded by Wisniewski that the meeting adjourn. Motion carried. The meeting adjourned at 7:50 p.m.

Respectfully submitted:

Pamela J. Wright, Clerk

Terri Close, Supervisor