

**ANN ARBOR CHARTER TOWNSHIP
BOARD OF TRUSTEES SPECIAL MEETING MINUTES
WEDNESDAY, NOVEMBER 28, 2007**

I. CALL TO ORDER

The special meeting of the Ann Arbor Charter Township Board of Trustees was called to order by Supervisor Moran at 7:05 p.m. at the Township Hall, 3792 Pontiac Trail, Ann Arbor, Michigan, 48105.

Present: Supervisor Michael Moran, Clerk Rena Basch, Trustees John Allison, Della DiPietro, Richard Dieterle and Randolph Perry.

Absent: Treasurer Virginia Forshee

Also Present: Township Attorney Sandra Sorini Elser, Township Engineer Damien Wetzel and Utilities Superintendent Rick Judkins.

II. Ayrshire Public Water and Sanitary System Special Assessment Districts

A. Opening Remarks by Supervisor

In 2006 several residents requested the Township to review the possibility of providing water and sewer services to the neighborhood. Because of the history, the Township then advised the residents they would only begin to review the possibility of a Special Assessment District (SAD) if the Township received petitions from owners of more than 50% of the area to be served. The Township directed its engineer to update the most recent cost study using industry approved inflation factors in order to provide a generalized idea to the residents of the cost of such a project. The Township received petitions from owners of more than 50% of the area in the proposed SAD and scheduled for discussion the question of whether the Board should declare its intent to create a SAD. At its September meeting the Board of Trustees adopted a resolution which tentatively declared the Board's intention to make water and sewer improvements for the Ayrshire neighborhood. The Board directed the Township engineer to do a new cost study to determine the costs of providing those services and scheduled the first public hearing on the two SADs.

The first public hearing was held on September 26, 2007. The purpose of the meeting was to review the construction plans and amended cost estimates, review the boundaries of the two proposed SADs, allow residents to request in writing to be included within one or both of the districts if not previously included, and to permit residents who previously signed written requests to be included in the SADs to withdraw their request in writing. Another purpose of the meeting was to hear objections to the petitions, the improvements, or the SADs, and for the Board to confirm there were residents holding more than 50% of the area in the district. The Board of Trustees found there was more than 50% of the area in favor of the SADs and adopted a resolution establishing separate SADs for water and sewer. The Supervisor was directed to create a special assessment roll for each district and the Board established a payback period of 15 years with interest at 6%. The Supervisor created the SAD roll and the Board set the date of November 28, 2007, for the second public hearing.

In addition, the Supervisor convened the Utilities Committee to discuss the possibility of creating a smaller SAD that would exclude properties on Waverly, and determine the effect on the

remaining parcels, should they decide they want to participate in the districts at a later date. The Supervisor also requested the Utilities Committee to discuss the possibility of proceeding with a sewer only district, and consulted with the Township attorney on the legality of both of these approaches. The Utilities Committee did not reach a recommendation to pass on to the Board but there was very little support for the smaller SAD.

The purpose of this second public hearing is to hear objections to the assessment roll. Persons present may object to whether their property was accurately assessed in relation to the benefits received, object to the total cost of the project, and can object to whether the proceedings to date have been valid. More importantly anyone who wants to object to the assessment against their property in the tax tribunal, should the board decide to proceed with the districts, must file a written objection to being placed on the roll by the close of the public hearing.

B. Public Hearing

Moran opened the public hearing at 7:13 p.m. The Township attorney advised the public that those persons who previously objected to the special assessment districts still have to file a written objection to the special assessment roll by the end of the public hearing.

Thais LaVacque, 2185 Ayrshire Drive, commented that she is in favor of the SAD because she is in the water district only and her costs will not be as high if she was in both districts.

Michael Zochowski, 2310 Ayrshire Drive, asked if the SADs are voted down what happens if his septic field fails in 10 years.

Moran explained the County would have to determine if the soils could accept another septic field or if an engineered field is necessary. Moran noted the estimated cost of an engineered field is \$25,000 to \$35,000. Wetzel advised the residents the Township ordinance requires connection to public water and sewer if their property is within 200 feet of such service. Wetzel noted two properties have recently sold in the proposed SADs and the county conducted a time of sale inspection in which they checked the water and septic systems. Wetzel said the outcome of those inspections were satisfactory.

Sally Burden, 4050 Waverly Place, commented that she doesn't want to stop her neighbors from getting public water and sewer service but she can't afford it. She said \$70,000 is not the entire cost and over a 15 year period the costs will total \$100,000. She said she is 71 years old and just recently retired and will be forced to sell one of her homes if the SADs are approved.

LaVacque asked if there is any type of relief available for people if this project goes through. Moran said it will depend on one's personal circumstances but they cannot borrow from the Township for a longer period of time than the fifteen years established previously.

Kate Choals, 4037 Danford Road, commented that the costs are too expensive and other alternatives are available to them because their property perks. She said they have consulted with a financial adviser and have been told they are unable to afford the costs of this project.

Mr. Miller, Ayrshire Drive, commented that his neighbor, Goplirsch, is out of the country until the end of January and he will not know that he needs to file a written objection to the special assessment roll.

The Township attorney stated the statute provides that a person objecting to the special assessment roll shall file the objection in writing with the township clerk before the close of the hearing on the roll or such further time as the township board may grant.

A resident asked about using open cut methods instead of directional drill in order to reduce the costs of the project. Wetzel explained the current plan is conceptual and preliminary and other options are available to reduce the costs in the final plan.

Moran closed the public hearing at 8:05 p.m.

C. Board Discussion and Action

Allison commented this is a very expensive proposition and while Township policy is always generally to do water and sewer together it is not a required policy. Allison said there is no prevailing health requirement for water; therefore he is not in favor of the water district. Perry concurred with Allison and said the district proposed for water makes less sense than the district proposed for sewer. Moran said even though it may be a good idea to provide both water and sewer he is very much concerned about the total costs of the project and the effect it will have on people's lives. Moran added the best thing to do under these circumstances is to move forward with the sewer only district which will cut costs in half and provide significant savings in the long term. Basch said she had previously stated she was opposed to the water district because the benefits do not justify the costs. Dieterle said he is dismayed at the costs for everybody and wouldn't like it himself and is not in favor of the water district. DiPietro said it is hard enough to justify the costs from a sewer perspective, but there are many overriding issues related to the need for sewer in the neighborhood. DiPietro added that water is less likely to be a health issue for residents when they sell their homes. The Township engineer advised the Board the costs for a sewer only district will be slightly higher, increasing the total costs from \$414,715 to \$423,885. The per benefit amount therefore will be \$24,935. **Perry moved approval to terminate the special assessment district for water in the Ayrshire neighborhood. DiPietro seconded the motion which was adopted unanimously.**

Wetzel advised the Board that connection fees are \$2,342 per household while connection construction costs may vary from \$1000 to \$4000 per household depending on the length of the run.

DiPietro commented that she is moved by the residents who have concerns about their ability to afford the costs and understands even half of the costs will probably be a burden for some. She said she is very aware of the need for this neighborhood to address the issue of sewer. DiPietro added by acting tonight in favor of a sewer district it will allow for greater benefits in terms of shared costs for the neighborhood including developers who are willing to share the cost of this proposal. **DiPietro moved approval of the Ayrshire public sanitary sewer special assessment roll as outlined in the resolution draft dated November 27, 2007 with changes to the amount in recital G from \$414,715.00 to \$423,885.00. Perry seconded the motion.**

Allison said he has served on the Board for 11 years and this issue keeps coming back. He said he has heard the objections and the financial impact this project will have on the residents. As an elected official his responsibility is to represent the interest of the residents and the Township. Allison stated based of the number of residents who are opposed to the project and the financial burden it will cause he cannot support the sewer district and would have to vote no. Moran said he shares Allison's concern but reaches an opposite conclusion. He said he is elected to make the best decision as placed before him and believes it is best to proceed with the sewer only district. Dieterle said it's important to strive to protect the neighborhood and would reluctantly vote in favor of the sewer district. Basch said she lives in a similar neighborhood and shares the concerns that the neighborhood character is about to change, however, it is time to move forward and take advantage of the financial assistance of the vacant land landowners. Perry said because the long term issues will never go away and costs will continue to rise he is reluctantly in favor of the sewer district. **Moran indicated it's been moved and seconded to approve the resolution draft dated 11-27-07 establishing the Ayrshire public sanitary sewer special assessment roll. The motion carried with Allison opposed.**

Perry moved approval to extend the time for written objections to the roll to the end of the December 17th board meeting. DiPietro seconded the motion which was adopted unanimously. The Township attorney advised the Board there is a provision in the statute that requires persons to file their objections with the tax tribunal within 30 days from the date of confirmation of the assessment roll. **Allison moved approval to accept the prior written objections from property owners Dzakpasu and Goplirsch as objections to the roll and to rescind the previous motion for delay of written objections. DiPietro seconded the motion which was adopted unanimously.**

III. Public Comment

Eulalia Stewart, 4040 Danford Road, commented that because the process has continued for so long it was appropriate for the Township to be involved. Stewart added the Township's involvement has been the most important part of the whole process rather than the specific outcome.

Sally Burden, 4050 Waverly Place, commented that she agrees with Stewart and that the Board has done the best possible job.

IV. ADJOURNMENT

Dieterle moved approval to adjourn the meeting at 9:00 p.m. Allison seconded the motion which was adopted unanimously.