

City of Corunna
Special Joint Meeting
Tuesday, April 29, 2003

Present: Corey, Jessen, Johnson, Mehigh, Runyan, Sanderson, Wagner.

Absent: None.

Guests: Joe Sawyer, City Manager; Dick Burlingame; Anna VanHyfte, Caledonia Charter Township Clerk; Ed Bruckman, Caledonia Charter Township Trustee; Joe DeCaire, Caledonia Charter Township Trustee; Joe Janca, Caledonia Charter Township Trustee; Geraldine Hagadon, Caledonia Charter Township Trustee; Renee Essenburg, Caledonia Charter Township Treasurer; Tom Wazny, Caledonia Charter Township Supervisor; Aundrea Corey; Norm Pugh; Dave Schaub; Russ Wahl; Shirley Sanderson; Rick Holzheuer; Ella Gregoricka; Peter Goodstein; Cal Hornus; Scott Johnson; Brian Johnson; Thelma Hornus; Jerry and Diane Smolinski; Henry Kuchar; Dale Aurand; Brian Mathies; and other concerned citizens.

The meeting was called to order in the Caledonia Charter Township Hall by Mayor Corey at 7:00 p.m.

AGENDA APPROVAL: Mehigh moved, Sanderson seconded to accept the agenda as presented.

Roll call vote:

Yes: Jessen, Runyan, Mehigh, Wagner, Johnson, Sanderson.

No: None.

Motion CARRIED

FIRE AGREEMENT NEGOTIATIONS: Supervisor Wazny advised there were corrections to the following items that needed to be made to the last proposal he sent the city council:

1. PRIOR AGREEMENT. The word "all" should have been removed. Ms. VanHyfte stated she did not agree that the word "all" should be removed. The word "all" was added back in.

3. OWNERSHIP OF EQUIPMENT AND VEHICLES. The entire first sentence should have been removed.

7. MAIN STATION / ANNEX LOCATION. The word "created" should have been "continued", the number 5.2640 under item 7c is still wrong, and the word "reasonable" in item 7g should have been "reasonably".

8. RECORDS. The sentence should read "The fire board shall maintain a space and the board will receive monthly reports".

Mayor Corey advised the city council thought it knew what the township's proposal was and proposed talking about the fire agreement concepts instead of getting bogged down with details and language. He proceeded to explain the "Talking Points" paperwork.

Issue 1. Agreement Term/Cancellation. Mayor Corey stated the city's original proposal was for a 50-year agreement but a tentative agreement of 15 years was reached at the last meeting, but the township has proposed a two-year agreement. The city council needs to know if the township desires to maintain a joint fire department with the city. He further stated a termination notice would not make any difference how long the agreement was for. There has been talk about the township building a fire hall or annex so it is important for the city council to find out what the township is planning to do because if the township is planning to build a fire hall within three years, this would be important for the city to know. He also stated if the township is not planning to build anything, then a longer contract term would be reasonable since the agreement can be terminated. Mayor Corey asked what the township's intent was, if the township was looking at a long-term relationship with Corunna and if the township is looking at building its own fire department. Supervisor Wazny advised the township board was quite concerned about the amount of rent the city was asking for the fire station as well as the annex and this is what prompted the township to seek a two-year agreement rather than a 50-year agreement. If the fire hall rent continues to increase, the township is not interested in a 50-year contract and will find other alternatives that would be more cost effective. He further advised the township has no intention of pulling out of the fire agreement and asked if Corunna had any intentions of pulling out. Mayor Corey advised absolutely not and that is why the city has proposed a 50-year agreement because the city wants to continue the relationship forever. He asked if the township was looking at creating a fire department in the township or a building to store fire equipment in so there will be equipment on both sides of the river. Supervisor Wazny advised the township was looking at constructing a building to store equipment in so there will be equipment on both sides of the river. For example, when the bridge is under construction, the township will suffer a great deal if the equipment cannot cross the river on a moment's notice. Mayor Corey asked if the current fire hall rent was too high. Supervisor Wazny advised he spoke to the previous township supervisor and was told at the time the rent was discussed Corunna had just gone through a remodeling of the fire station as it exists today and the township agreed to pay higher rent than the township felt it wanted to pay at that time. Mayor Corey stated the previous fire hall rental fee was negotiated about 10 years ago and the city was looking at raising the fire hall rent by \$2,000, but over a 10-year period of time this does not seem unreasonable. Supervisor Wazny stated the fire hall rent seems a bit too high. Mayor Corey stated the city was paying the township rent for the use of a building until the building was rented to someone else so the city had to store the fire vehicle in the commercial building, but has not received any rent for housing the vehicle. The city had an opportunity to buy a building for the library and two vehicle bays were constructed, but there were no objections voiced that the city should not do this. He further stated if the township is able to build a facility at the township for part of the equipment, then maybe the rent might be adjusted. He further stated the city has received approval to replace the bridge later this year and the city recognizes the need for certain vehicles to be housed north of the river. He also stated there is a cost for everything. Supervisor Wazny advised he did not disagree with Mayor Corey, but the

people of Caledonia Charter Township deserve to have a fire facility in the township as well so the fire trucks are a little closer to the township's service area. Supervisor Wazny further stated for that reason it might be important to put a building in the township. Mayor Corey stated the township could not tell the city to leave the fire trucks outside until the township facility is done. He further stated the city would like to recover a little of the costs that have been put into the new building, but it might take the township a year or two to get a building up. In the meantime, it seems reasonable that the city continue to house the fire equipment and this does not come free. Mr. Sawyer explained how the proposed fire hall rental fee was calculated. Mayor Corey stated the city and township could enter into a five-year agreement, which would allow the township enough time to build a facility and allow the city to recoup some of the money the city has put into the fire department training room. Supervisor Wazny stated the township would want to put up a building to hold enough equipment to fight fires on both sides of the river. Mayor Corey advised he was talking about a training room and not equipment. He suggested looking at a shorter agreement without a cancellation clause and then go into a five-year agreement. He further advised the township has proposed a two-year agreement, but it might be June or July before an agreement gets done, which is halfway through a year. He also advised it was encouraging to hear that the township has no interest in forming its own fire department. It might be reasonable to have some equipment north of the river, but at a time when most municipalities and townships are consolidating services, this is not the time to look at dividing the fire department.

Issue 2. Payment for Services Rendered. Mayor Corey advised Corunna has totally supported the fire department since January and the city is hoping an agreement is ironed out in the next few weeks. Until that time, the city is proposing that the township pay the city \$5,000 per month until a fire agreement is reached so the fire department can continue to provide all of the services. Mayor Corey asked if the township felt the city should shoulder the entire burden of the cost of the fire department until a new agreement is reached. Supervisor Wazny advised he felt the township should continue to pay the township's annual fire fee but it was up to the township board. Ms. VanHyfte advised \$5,000 per month seemed reasonable. Mr. DeCaire asked if the township would get anything retroactive back once a final amount is determined at the end of the agreement. Mayor Corey advised once an agreement is reached, the city would look at the amount the township paid and adjust the figures according to how the agreement comes out. A motion and support was made by the township to continue to pay \$5,000 per month for the annual expense of the fire department. The township board all voted yes. Mayor Corey asked if the payments would be retroactive to January. Supervisor Wazny advised yes.

Issue 3. Ownership of Equipment and Vehicles. Mayor Corey read the discussion portion of the turning points for this item. Supervisor Wazny asked what putting the New Haven Township payments to Caledonia Township to rest meant. Mayor Corey advised it was his understanding that Caledonia Charter Township contracted with New Haven Township rather than the fire board. Supervisor Wazny advised he has never heard about a contract with New Haven Township and advised Ms. VanHyfte has been on the township board the longest. Ms. VanHyfte asked Supervisor Wazny what he wanted to hear. Supervisor Wazny asked Ms. VanHyfte if Caledonia Charter Township

ever had a contract with New Haven Township. Mayor Corey advised it was his understanding that for about four years there was a fire agreement contracted with New Haven Township through Caledonia Charter Township and not the fire board. He asked if it would be reasonable to adjust the split to 68/32 for future expenses as per the five-year run history if Caledonia Charter Township does not desire to go to a 50/50 ownership. He asked what the basis would be to go with a 58/42 split that the township has proposed. Mr. Goodstein stated the issue of transferring ownership was raised and the township is giving away something that the township paid for. Mayor Corey advised the latest fire truck is being paid for with money received by the fire runs. Ms. VanHyfte presented a copy of a resolution adopted by the township that states the city's ownership of the new vehicle is 42 percent and the township's interest is 58 percent. Councilperson Johnson stated if the fire board does not own that fire truck then why was the fire board making the payments for that fire truck. Mayor Corey advised he did not know the answer to that question. Councilperson Runyan stated in one of the contract amendments there was language that allows anyone to get out of the agreement and asked where the fire equipment would go. Mayor Corey asked Supervisor Wazny if he had an answer. Supervisor Wazny advised no. Mayor Corey asked if anyone knew the answer to that question. Supervisor Wazny advised it was his understanding that the entity pulling out of the agreement would give the other entity the first option to buy the equipment. Mayor Corey stated if Caledonia Charter Township pulls out of the fire agreement then the City of Corunna has the option to purchase all of the fire equipment. Mayor Corey asked if the township does not want to go with a 50/50 percent ownership, what was the 58/42 percent being based on. Supervisor Wazny advised it would be extremely confusing and counterproductive to do anything but 58/42 percent unless some other agreement is reached. The township does not want to relinquish any township assets without some type of compensation. Mayor Corey suggested going to a 68/32 percent ownership, which is based on the number of fire runs. He asked again what the original 58/42 percent split was based on. Supervisor Wazny advised it was his understanding the percentage was based on fire runs. Mayor Corey stated if there is new fire run information and a new agreement, then why would the figures not be updated. The previous agreement was based on fire runs so why not change the percentage based on present day information. Supervisor Wazny asked what would happen if the City of Corunna has 68 percent fire runs and the township only has 32 percent. Mayor Corey stated the agreement would be adjusted to this. Supervisor Wazny stated that is exactly why you do not take the past ten years and reach an agreement on today's agreement without having better information. Mayor Corey asked what better information could the township possibly get. Supervisor Wazny advised he did not know and this was something the township needed to work on. Ms. VanHyfte stated the 58/42 percentage was based on the number of actual fire runs. Over the last ten years, the township has had 55 percent of the fire runs, the City of Corunna has had 30 percent and mutual aid has had 15 percent of the fire runs. Mayor Corey advised mutual aid runs are not part of the contract. Supervisor Wazny stated if the mutual aid percentage is split equally, the township would have 62.5 percent of the fire runs and the City of Corunna would have 37.5 percent. Mayor Corey asked if this was something the township would find acceptable. Mr. Sawyer advised he did not think it would be fair to base any figures on ten years due to the amount of growth the township has had in the last five years. The percentage of 68/32 proposed by the city is accurate and does not include mutual aid

runs. Councilperson Mehigh asked how many years did someone go back to determine the 58/42. Mayor Corey asked if anyone knew the answer to that question. Mr. Sawyer advised another audit could be prepared to see who has received the most benefit from mutual aids. Councilperson Mehigh suggested moving on to the next issue.

Issue 4. Main Fire Hall Lease. Mayor Corey read the discussion part of this issue and asked if it was reasonable to believe that no increase listed in the township proposal was appropriate or fair. Ten years ago the lease was \$13,920 and the city was looking at a modest increase of \$2,000. Mayor Corey stated he felt a \$2,000 increase over a ten-year period of time was nominal. Supervisor Wazny stated the city has a definite benefit by having the fire department in the city. Councilperson Wagner stated it sounds like the township is saying that the city has a convenience because the fire department is closer to the city than the township. Councilperson Sanderson stated the fire department has been in downtown Corunna for the past 30 years. Councilperson Runyan asked if half of the firefighters would be in the city and the other half in the township. Councilperson Johnson advised if there was a fire on the north side of the river, a firefighter, who lives north of the river, would go to the township building, but if the fire was south of town, the firefighter would automatically go to the closest fire hall. Councilperson Mehigh stated geographically, the city sits in the middle of Caledonia Charter Township and everyone can argue who is closer to the fire hall, but there will be someone further away from the other unless several fire halls are put all over the township. He asked if it was reasonable to assume that the fire department should be in the middle of everything. Mayor Corey stated if there was no City of Corunna and there was just Caledonia Charter Township, then there would not be any discussion. Supervisor Wazny advised his point was that there is a convenience factor that Corunna appreciates that Caledonia Charter Township does not have and that was his concern. Mayor Corey advised he did not know if this was relevant because the city was talking about lease space, insurance costs and not a convenience. Supervisor Wazny stated the township board never sees or gets a printout on what the township is paying for. The township just gets a bill at the end of the year. Ms. VanHyfte advised the township gets a copy of each invoice. Mayor Corey advised the township board should have the ability to look at the invoices. Supervisor Wazny advised the township board gets an invoice, but it does not get a printout that shows the township has paid \$2,000 for repairs on a truck and the township should get a monthly printout. Mayor Corey asked again if \$2,000 was a fair increase over a 10-year period. Supervisor Wazny advised he would have to take this issue to the township board for discussion.

Issue 5. Annex Fire Hall Lease. Mayor Corey read the discussion part of this issue and the questions pertaining to this issue. Ms. VanHyfte advised she felt issues four through seven should go back to the township board for discussion. Councilperson Sanderson stated at the last joint meeting, one of the firemen brought up the point that the city was still charged for renting the township annex building after the fire department was kicked out of the township building before the end of the agreement. Mr. Sawyer advised the city did not pay anything for the months the city was not in the building.

Issue 8. Records. Mayor Corey read the discussion part of this issue and the questions pertaining to this issue. He advised one of the government entities has to be the

employer. Mr. Goodstein asked if there was a state statute that states the fire board cannot be the employer. Mr. Sawyer advised MCLA41811 paragraph three. Ms. VanHyfte stated she would like to see issue number 10 combined with issue number eight. Mr. DeCaire asked how Caledonia Charter Township would do the record keeping since the record keeping cannot be contracted out because the township is not a full-time government. Ms. VanHyfte advised Corunna has done the record keeping for 10 years and she would like Caledonia to do the record keeping for whatever the term is. Mr. Sawyer asked if the township intended to outsource the record keeping. Ms. VanHyfte advised no. Ms. VanHyfte asked if the City of Corunna was currently acting as the employer. Mayor Corey advised yes. Ms. VanHyfte asked if the fire board hires the fire chief or does the city hire the fire chief. Mr. Sawyer advised the fire board makes a recommendation to both governments. Ms. VanHyfte advised she would like to see this item put on the table for the township to discuss. Mayor Corey asked Ms. VanHyfte if she wanted issue number 10 combined with issue number eight because issue number 10 pertains to record keeping. Ms. VanHyfte advised yes. Councilperson Runyan stated the township has proposed having an outside audit done and to pass the records back and forth. Mayor Corey stated he thought this was something that the township and the city should discuss.

9. Purchase of New Vehicles and Equipment. Mayor Corey read the discussion part of this issue and asked why it was not a good idea for both municipalities to put a certain amount of money into the capital improvement fund. Mr. DeCaire stated this suggestion sounded appealing to him because if there is not enough money put into the checking account, then where would the money come from to make a payment because the money in the certificate of deposit could not be taken out. Mayor Corey asked if this was something the township board would consider. The city's proposal is for each government to put \$5,000 into the capital improvement fund. Mr. Sawyer stated he was not sure what the township's proposal was. Ms. VanHyfte stated the city's proposal is to have each government deposit \$5,000 into the capital improvement fund annually and item 7h states that 75 percent of the fire runs would also be deposited into this fund. She further stated she would like to see some documentation since the city has been the keeper of the records for the past 10 years. Mr. Sawyer stated he was not going to do a bunch of work on a concept the township does not like. He further stated he spends 25 percent of his time working for the township. He also stated the city does not keep the capital improvement fund records. The fire board has that information. Ms. VanHyfte advised the township's auditor, who is also the city's auditor, has to request up-to-date records. This also becomes an issue for the treasurer who is supposed to reconcile the records. Ms. VanHyfte further advised she cannot enter the records into the general ledger and the township gets written up in the audit. Councilperson Runyan asked why the township has not corrected this situation if the township has been written up three years in a row. Ms. VanHyfte advised exactly and this is totally frustrating. Councilperson Runyan advised one of the fire board members should correct the situation. Supervisor Wazny advised the first time the fire board tried to correct the situation, the bank statements were going to an address that was not the township's or city's address. This was corrected, but the bank statements are not mailed until after the monthly fire board meeting. He further advised two of the bank statements were missing and the fire board worked hard to find the missing statements. The fire board is trying to

correct this situation, but it will take some work. Councilperson Jessen advised he brings the bank statements to the fire board and everyone gets a copy. Councilperson Johnson asked Ms. VanHyfte if she gets a copy from her fire board representative. Ms. VanHyfte advised the treasurer would need a copy. Mayor Corey stated it appears this issue was something that the township was not opposed to but was under discussion between the city and the township and asked if this was correct. Heads nodded yes.

11. Mediation. Mayor Corey stated the city feels if there is a disagreement in the fire agreement, a simple solution would be to go with mediation. He further stated the township's attorney mentioned going with arbitration instead of mediation at the last meeting. Mayor Corey advised it was his understanding that mediation gets people together to find a solution that is mutually agreeable to both parties while an arbitrator might make a decision that might not be acceptable to either party. He further advised he thought it would be in the best interest of both governments to mutually decide what is to be done instead of having a third party make the decision so he does not understand why a mediation clause is not acceptable. Supervisor Wazny advised the township board decided it was not comfortable with mediation and he was not either. Mr. DeCaire asked if mediation was going to a third party. Mayor Corey advised yes but the purpose of a mediator is to sit down and facilitate discussion so the parties can come to a decision. He asked why the township does not want mediation. Ms. Hagadon advised she has dealt with mediators and they are expensive and mediators just do not get it. She further advised she has not had any results with mediators. Mayor Corey advised the circuit court has gone to mediation for all civil and domestic cases. Mayor Corey explained the cost for a mediator from a mediation center is \$75 for each party and was not per hour. Ms. VanHyfte advised the township board unanimously approved to strike mediation from the agreement during one of the township's work sessions. Councilperson Runyan stated the reason the mediation clause was put into the fire agreement was so the city and township are where they are now, a year and a half without an agreement. If an agreement cannot be worked out in two or three months, then the parties would go to a mediator. Renee Essenburg stated elected officials were present to try to hammer these things out and the person in the middle would be taking over the elected official's responsibility. Councilperson Runyan asked why everyone was sitting here a year and a half after the contract expired. Supervisor Wazny advised the contract was extended for a year and there were attempts to reach a settlement. He further advised he thought a lot of progress was made tonight. Mayor Corey advised he did not think mediation was a showstopper to come together with a contract. Mediation is something that is reasonable and inexpensive to do. Councilperson Johnson stated every time the council and township come to the round table each government has its attorney present and asked if this was part of mediation because the attorneys are present to help mediate and advise what is right or wrong. She asked if both governments would continue to have the attorneys present. Mr. Goodstein advised the mediators that are trained today would not tell anyone what is right or wrong. Councilperson Johnson asked what a mediator would do. Mr. Goodstein advised the mediator would try to facilitate a discussion between the two parties and would not take a position. Ms. Hagadon stated whenever she worked on a contract, both parties were present and advised she felt uncomfortable having all these people at the meeting. Mr. DeCaire advised this is a public meeting. Ms. Hagadon advised she knows this but she still felt uncomfortable. Councilperson Mehig stated it

sounds like a break was needed or an impasse was reached and suggested it was time to adjourn. Mayor Corey stated there were issues that everyone needed to come back and look at. He asked if another meeting could be set tonight. Supervisor Wazny advised he did not think another date could be set because there were numerous people with numerous obligations. Mayor Corey asked if another meeting could be held by mid June. Supervisor Wazny advised he would get back with the city with a date. Councilperson Mehigh requested that the next meeting be held in Corunna.

CALL TO AUDIENCE: Dale Aurand stated he lived in Caledonia Township and owns a piece of property in the City of Corunna, but he was kind of ashamed to see the way some of the negotiations have gone and he was pointing to the Caledonia Township board. The township board is asking questions and making things tough. He also advised the township will not go along with mediation because this is something the township board cannot control, and if the township board cannot control something, then the township board does not want any part of it.

Henry Kuchar stated he lived on East Hibbard Road and asked why the fire trucks take the long route to a fire. There was a fire at the end of Hibbard Road and the fire trucks went down State Road to Hibbard Road instead of taking M-71 to Hibbard Road. He further stated there was another fire west of State Road and the fire trucks went east and had to come back and he wondered if the fire department knew where the numbers were.

Thelma Hornus stated she was quite happy that the township board asks questions so she knows where her money is going. She further stated she thought Supervisor Wazny could put some dates down and send the dates to Corunna with a cop.

Dave Schaub advised he was a Caledonia Township resident and the fire department has one idea that he would like to see in the fire agreement but he does not know how this would fit in with the Michigan law that establishes a fire board. He would like to see a fire department representative on the fire board. He realizes this representative would also be an employee but the representative would not be a voting member. He also advised it seems like the township was not willing to discuss issues and since both groups were present, the issue should be discussed with the public present. This is what the meetings are for.

Norm Pugh advised he lived in Caledonia Township and asked if the fire negotiations have been going on for one and a half years. Supervisor Wazny advised no, three months. Mr. Pugh asked if the township would build its own fire department if there is no contract with Corunna. Supervisor Wazny advised he did not know and would have to see what happens. He further advised the township wants to stay with Corunna but would like some fire trucks at the township in order to service the people on M-21. Mr. Pugh asked if the people in Caledonia Township would get a chance to vote on the water. Supervisor Wazny advised the township was here for the fire agreement. Mr. Pugh advised the meeting was open to the public and was not just for the fire agreement. Ms. VanHyfte advised a statement was made last Thursday that was incorrect. The question asked was if the township residents would get a chance to vote on the water project, which is tied to what taxing authority rate the township currently has. She further

advised Caledonia Township became a charter township by a resolution by the township board and what that means is the taxing level the township had as a general township also carries over to a charter township. The township is currently taxed at one mill and the millage cannot go above one mill without a vote of the people so there will be a vote on the water project.

Mayor Corey read the state statute, which states a member of a joint administrative board shall not be an employee of the police or fire department of a participating township, village or city. He advised this should answer Mr. Schaub's question about having a member of the fire department on the fire board. Mr. Schaub asked if someone from the fire department could be appointed to the fire board as an advisory member. Supervisor Wazny advised the fire department has a fire chief and he could bring any questions the firemen might have to the fire board. Councilperson Jessen advised the fire chief is requested to attend all fire board meetings. Supervisor Wazny advised Scott Johnson has done a good job about keeping the fire board informed on what has been going on within the fire department.

Fire Chief Scott Johnson advised he thought he knew what kind of information Ms. VanHyfte was looking for about the fire runs. He asked Ms. VanHyfte if she wanted him to go back to day one. Ms. VanHyfte advised yes. Chief Johnson advised the fire runs that happen in Caledonia Township are not only township residents. There can be out of town residents or Corunna residents. Ms. VanHyfte stated she gets a spreadsheet of Caledonia Township runs, City of Corunna runs and Mutual Aid runs. If the fire run is qualified as a Caledonia Township run and the township pays for the run, then that run would fall under a township run. Chief Johnson advised it would not always be a Caledonia Township citizen paying for a fire run that occurs in the township. He further advised he could probably come up with a number of fire run appeals, but the rest of the fire runs might take longer to get. He also advised he would try to get the information together as quick as he could and whatever he did not have then Linda LeCureux might have.

Brian Mathies stated there could be lost records if Caledonia Township becomes the employer and it seems like this would be a waste of time and money. Mr. Mathies asked how often a mediator would be needed and why this would be an issue. He further stated if this is an open meeting, then everyone has the right to be here and if someone feels uncomfortable, then maybe that person should resign or become more comfortable.

Norm Pugh advised there have been issues with the township's audit about not getting records from the fire department so there are already issues about records getting lost.

Mr. DeCaire asked if a fire run involving someone from out of state would be a mutual aid run, Caledonia Township run or a City of Corunna run. Chief Johnson advised the fire run would be logged in where the incident occurred, but the money would be collected from the out of town person. Supervisor Wazny stated if the fire run is charged against Caledonia Township then the money should be credited to Caledonia Township.

ADJOURN: Mehigh moved, Sanderson seconded to adjourn.

Roll call vote:

Yes: Sanderson, Mehigh, Johnson, Jessen, Wagner, Runyan.

No: None.

Motion CARRIED Time was 9:10 p.m.

STEVE COREY, MAYOR

YVONNE F. LONG, CITY CLERK