

<p style="text-align: center;">YANKEE SPRINGS TOWNSHIP <u>BOARD OF TRUSTEES</u> <u>Special Meeting</u> <u>Wednesday, April 1, 2015</u> 7:00 p.m. Yankee Springs Township Hall 284 North Briggs Road, Middleville, Michigan 49333</p> <p style="text-align: center;">MINUTES</p>	<p style="text-align: center;">FINAL MINUTES APPROVED 4-9-15</p>
<p>Meeting called to order at 7:00 PM by Supervisor Mark Englerth.</p> <p><u>PLEDGE OF ALLEGIANCE:</u></p> <p><u>Roll Call:</u> Jerkatis, J. Lippert, Englerth, Rottschafer, Campbell. All present.</p> <p><u>Present (Other):</u> John Lohstorfer- Township Legal Counsel, Fire Chief Dave Middleton, Mike Bremer- Supervisor Thornapple Township.</p> <p><u>Staff Present:</u> Frank Fiala, Alice Jansma, Jim Orr- Constable, Larry Knowles-ZA, Sandy Marcukaitis.</p> <p><u>Visitors:</u> 21 (not including staff present).</p>	<p style="text-align: center;">CALL TO ORDER</p> <p style="text-align: center;">PLEDGE ROLL CALL</p>
<p><u>PURPOSE OF MEETING:</u></p> <p>Fire Protection Contract Renewal as Proposed from Thornapple Township Emergency Services:</p> <p>Option 1: \$192,480 – Would take Yankee Springs out of the fire protection business and put the current Yankee Springs station under the control of Thornapple Township Emergency Services Committee. Thornapple Township would be responsible for all building, equipment care and maintenance. Yankee Springs would continue to have a seat at the monthly Emergency Services Committee meetings.</p> <p>Option 2: \$175,200 – would take Yankee Spring’s <u>current station out of service</u>. Yankee Springs would continue to have a seat at the monthly Thornapple Township Emergency Services Committee meetings.</p> <p>Option 3: \$127,460 – is the same contract/formula (Thornapple & Yankee Springs Townships) have been working under for the past 10+ years with updated numbers. Yankee Springs would continue to have a seat at the monthly meeting.</p> <p>Added note to this correspondence from Mike Bremer of Thornapple Township: “The above highlighted amounts would be annual costs for fire protection. These numbers are based on proposed 2015/16 budget numbers that could change before being officially adopted at our (Thornapple Township) March 2015 Board Meeting. A reminder that Option 3 will automatically take effect on April 1, 2015 unless one of us gives notice that we want out. We will continue to move forward with the creation of a Fire Board in accordance to the resolutions we both recently adopted.”</p>	<p style="text-align: center;">PURPOSE OF MEETING</p> <p>Attach Option 2 of Roger Rottschafer Report Page 4 of 5 Motion</p> <p style="text-align: right;">Page 1 of 9 YST Bd Trustees 4/1/15</p>

PUBLIC COMMENT: None (at this time).

ACKNOWLEDGEMENT OF VISITORS:

TTES –Fire Chief David Middleton:

Gave an overview of the history of Fire service in Yankee Springs Township. The lack of volunteer firemen living within three or four miles of the fire barn that work for TTES. Age demographics in the township were brought up as well. Middleton commented on the extensive amount of training required for firefighters. He is here to support whatever the board wants to do. Insurance Service Office (hereafter referred to as ISO) ratings were mentioned. Middleton commented that homeowner's insurance rates could go up \$600 to \$1000 annually if ISO ratings go up for those outside a five mile radius. D. Middleton state that State Farm does not use ISO ratings in its rate formulas, but some insurance companies do. He has lived full-time in the township for 47 years now and has a stake in the township too.

Jan Lippert inquired to the relationship between dry hydrant availability and ISO ratings. Lippert commented that she considers the fire station-barn an asset to the community along with Dave Middleton's service.

Lippert also referred to **Mary Cook, a former trustee**, in the audience who commented that when the fire station and dry hydrant were installed near her home caused her homeowner's insurance rates to go down. It was noted that some insurance companies do consider dry hydrant placement, and some do not.

John Jerkatis asked for confirmation of information from the fire chief regarding the possibility of increase in homeowners' insurance rates for residents if the fire station was closed down. Middleton confirmed a figure of a possible \$600 average increase for anyone living outside a 5 mile radius of the station-barn. Middleton commented that it would rely heavily on the residents' insurance companies. Middleton suggested that one might want to check with their insurance companies. Jerkatis felt that the increase would be a significant consideration.

Roger Rottschafer commented regarding the reasons for causing his (Rottschafer's) reasons for doing his own analysis, and mentioned bringing in Dr. Lynn Harvey to do a Fire Service Analysis. Harvey came to a joint meeting with Yankee Springs and Thornapple and openly discussed some of the rumors that had been going around such as lack of volunteers, underutilization of the barn, and fire equipment not kept in the YS barn any more but being kept at Thornapple. Rottschafer felt that what stood out in Harvey's report were response times of the last 48 months for Yankee Springs and Thornapple. Rottschafer reviewed his report "Yankee Springs Township Fire Equipment Maintenance Recap" attached to these minutes

Rottschafer recommends TTES Proposal/Option #2 Rottschafer commented on projected expenses and savings to the township. These are also outlined in the recap. Rottschafer mentioned ISO rating as a concern. Mutual aid was commented on. Rottschafer was told that Yankee Springs seldom provides mutual aid for others because of the staffing issue.

ACKNOWLEDGEMENT OF VISITORS:

Attach Report

Page 2 of 9
YST Bd Trustees
4/1/15

Rottschafer commented that a savings of \$100,000 a year over 10 years would equal a \$1,000,000.

John Lohrstorfer, attorney, advised Rottschafer that the decision has to first be made whether YS Township is going to stay with it (having/running a fire station-barn), or get out of it, before making a decision as to what is to be done with the funds, equipment, and building.

PUBLIC COMMENT:

PUBLIC COMMENT

Bill Batson, 1340 Lynn Drive, commented on response times and lack of staffing as well as being covered by Thornapple. Batson didn't see the need for the fire barn. When the fire station went in, Batson commented that he didn't get any reduction in his homeowner's insurance.

Mike Cunningham, Heritage Bay Dr. – has noted kind of a stressful relationship in the last few years with the township taking care of the building and paying bills for equipment maintenance. Cunningham would like any approach that gets rid of that (stressful relationship) to focus on efficient fire service. He favors the first two options. Cunningham commented that fire protection and a harmonious relationship is not something to be penny-foolish on.

Mary Cook, former Trustee commented that the situation sounds like a lack of volunteer firemen and if she called in for a fire for her house right now, the truck would respond from Middleville not the YS Twp. fire station-barn. She favors Options #1 or #2. She commented that she didn't like the thought of her ISO going up, but it was unknown whether anyone's ISO would go up. M. Cook suggested maybe going one more year on a regular one year contract and maybe get a little more feedback from the community.

D. Middleton commented closing of stations nationwide is happening.

Greg Purcell, of Valley Drive – commented part of the problem is it is difficult to get sufficient economies of scale for areas the size of YS Township. Purcell mentioned a fire district, a special purpose unit of government that would encompass a larger area to be able to be more cost effective for the entire area covered.

Roger Rottschafer commented that this has been looked at, but right now there is a more immediate issue of the township paying more money than it needs to because Thornapple is doing a great job out of Middleville. Rottschafer commented that Joe Miller, Fire Chief of Wayland, mentioned that YS has the best thing going with Thornapple taking care of it (YS Twp.).

D. Middleton addressed some of the ramifications of Fire Authorities.

Mike Bremer, Supervisor of Thornapple Township commented that he would be happy to have a fire authority – one less thing that he'd have to deal with. The authority would be its own unit, as well as a taxing unit. Some communities would see a reduction in costs while some would see an increase. Bremer commented on the pros and cons of a Fire Authority. Bremer commented that the bottom line is the question, "How quickly is someone getting to your situation?"

Mike Cunningham inquired (of D. Middleton) if Thornapple's response time was considered good for the area. Middleton felt that the response time was on the good side of average.

BOARD COMMENTS:

John Jerkatis commented that Rottschafer has put in countless hours on this (Fire Service issue) and that the township board is in his debt for his time and attention on this. Jerkatis also commented that with Fire service the township can't ask for anything better than it has unless it goes to more full-time firefighting personnel. Jerkatis felt that on the surface it appears to be a no-brainer that there would be savings with Option 1 & 2. But tonight he found that the ISO rating change could affect homeowner insurance rates. Jerkatis noted that if it only affects 1500 properties than that is \$900,000 annually. Jerkatis commented that the ISO rating is a very serious consideration. Jerkatis commented that if insurance companies might not change the rates immediately, they may do so down the road. Middleton commented that this would be the time to shop (for other insurance carriers).

J. Lohrstorfer, Attorney commented that if the ISO rating is taking into consideration the fire station-barn, it is an operating fire station. Lohrstorfer added that if the board wants to keep rates the way they are, then it is going to have to, in its options, employ the fire station. The township can't have a vacant fire station-barn. Lohrstorfer commented that if an insurance company calls about a house one mile from the YS fire station, he feels the fire chief or service coordinator has the duty to tell them, that the fire station-barn is not a functioning fire station; there's a building there, but the township is not using it. Lohrstorfer added that as the township looks at the options, it is going to have to utilize the station or get rid of it.

At this point, **John Jerkatis** interjected that he felt insurance companies could speak for themselves and that they have attorneys that can speak for themselves. Jerkatis continued to comment that the people of the township are at the mercy of the board to make a correct decision on this matter, as well as, they are at the mercy of Thornapple Township to provide the service, and they are at the mercy of their own insurance company for setting their premiums. Jerkatis reiterated his concern for the ISO rating on insurance rates, quoting numbers discussed earlier in the meeting for township savings versus a possible increase in insurance rates due to a change in ISO ratings. Jerkatis commented that he favors M. Cook's philosophy for continuing on for one year and have a formal analysis, survey, or investigation by a professional consultant into the insurance agencies that are employed in YS Township and present the three options and ask how is this going to impact the people personally of YS Township to get a better handle on this.

Roger Rottschafer clarified that John Lohrstorfer was trying to point out that the township can't portray that it has a fire service here in Yankee Springs. Rottschafer commented that it would be fraud.

BOARD COMMENTS

D. Middleton commented that ISO is fully aware of the personnel and response that the Township has here. According to Middleton the ISO goes through all of the records, the same records that were also given to Dr. Lynn Harvey. They (ISO) go through that and make the calculations. D. Middleton reiterated that ISO is fully aware that there are times “we don’t roll out here.” D. Middleton also commented that the ISO doesn’t dictate whether the township is running 100% out of the fire station-barn or not. Middleton added that the ISO is interested in is where the hydrants are, are they functional, how well do they function, how much water do they move and mutual aid.

M. Englerth commented on the meeting progress and mentioned Shane Vandenberg not being allowed to speak at a meeting a few months ago. Englerth repeated an apology to S. Vandenberg for not allowing him a chance to speak.

Rich Beukema of Valley Drive, commented that the \$600 a year figure kind of astounds him. His annual homeowner insurance is not much more than \$300. Beukema couldn’t imagine that \$600 dollars would be added to it. Beukema thought it had to be something like \$50 or \$100 added at the most for an ISO change.

J. Jerkatis commented that the major question is whether it would be \$50 or \$500, and added “But we don’t know”.

Jan Lippert’s #1 concern is that the township is being served with protection by Thornapple service and is in favor of option #3. J. Lippert commented that because of the ISO rating, her home is rated a “5”. Home is within a 5 mile radius and having a pressured water hydrant availability Lippert also commented on calculating 2700 properties at savings of \$600. Lippert emphasized that by having the fire station-barn there with the equipment in it is a valuable asset to the community. Everyone refers to Yankee Springs Fire Station, it is a fire barn which is non-manned. It is an on call volunteer fire department through TTES. Lippert added that the township receives the benefit with a lower rating for the building (fire barn) being there.

D. Middleton commented he wanted to just encourage everyone to check with their insurance company as to what the difference would be for them (with ISO ratings).

Bruce Campbell commented on appreciating the fire service and of being in favor of Options #1 or #2. Campbell added that if the township waits too much longer, the different equipment costs will have to be added for another year, spending another \$100,000 for another year and the equipment will depreciate that much more so resale value will be that much less. He added that there’s more of a loss the longer the board waits. Campbell also commented that he doesn’t have a problem with an ISO rating and felt that high numbers were being thrown around.

R. Rottschafer noted the meeting was designated for discussion purposes. Rottschafer commented that Mark Englerth poured his life into the fire barn for a year and it has been hard to be on opposite sides with M. Englerth on the matter. He was told that the job of the trustee is that people should know how their money is being spent. Rottschafer commented that whatever comes of it, decision-wise, he’ll be fine with it.

Rottschafer has the Trails project and doesn't have any more time to spend on this (fire service).

Rottschafer referred to an event about 15 years ago where people responded to the matter discussed tonight. He commented that 662 responds out of 4000 people didn't seem like a majority and 15 years ago the same questions were coming into the township. Rottschafer added that he doesn't know how the board will check on ISO ratings, he wasn't sure how it could be done. Rottschafer feels that if it were a ballot situation, with the response that would occur, the township board would still not get a good representation. Rottschafer also commented that John Lohrstorfer's point (and Rottschafer's) was that legally, for example, if Shane VandenBerg or nobody knew until now that the barn wasn't being used correctly, and Shane's house burned down and his family died in it- the township board is portraying that the fire barn is actually protection for the township. The board has to look at legally what the township board is responsible for and that it is portraying until now that the barn is actually a fire service, and it is not. The insurance companies can find out if their customers are in the ISO rating. Rottschafer posed the question, "What happens when they (insurance companies) find out that Thornapple came to a fire on Payne or Gun Lake because there was nothing from Yankee Springs?" Rottschafer, as a board member, is not going to back keeping the station because it is going to be a sham for the insurance companies to keep an ISO rating. Rottschafer added that he thought everybody on the board should look at that before they say they are willing to let that just be there as a "fire barn".

M. Englerth commented that he was proud of everything that everyone has done. He commented that there is no doubt that everyone in the room valued public safety. Englerth commented on the commitment of community members and how that could possibly improve that commitment. Englerth mentioned age demographics and if one looks at Yankee Springs and Orangeville they are identical. Englerth noted that Orangeville has 25 percent less population, but double the volunteers. Englerth also spoke of crucial response time. He felt the answer needed tonight is that the township is committed to do the very best we can to public safety. Englerth also commented that the township is two steps away from having the best of the best. Englerth added that the township needs to get more involved getting volunteers. Englerth also commented that the community is capable and got together and volunteered to build a half-million dollar fire station 20 years in less than a year at less than \$36,000 of taxpayer money and the rest was donated. Englerth challenged the community to commit to public safety being "Job One".

R. Rottschafer commented on an email from Dr. Lynn Harvey that basically stated that the chances of YS Twp. getting to man the station is virtually nil. Dr. Harvey commented in the email that the best thing he says to do is shut it down. Dr. Harvey's email would be available from Rottschafer if anyone would like to see it. Rottschafer also commented on YS Twp. being a transient township. He added that people go to Grand Rapids, Kalamazoo, Hastings and Middleville Tool & Die, but after that there isn't much here. Rottschafer commented that the township paid L. Harvey \$3,000 plus (per J. Lippert) to tell the township what to do and the township keeps going back down the same road.

Jerkatis commented that he would like a formal independent analysis done. Jerkatis doesn't feel that were putting anything over on any insurance company or perpetuating any fraud. Jerkatis added that he doesn't want 1500 residents coming in to the township and saying their insurance ratings went up \$600 because the board shut down the fire station.

Campbell asked Jerkatis how the board would go about that analysis (ISO rating changes possibility for residents) and who would pay for it.

Cathy Strickland asked the board that it would not consider the ISO ratings. C. Strickland feels the insurance that the residents buy is a separate business and really should not be taken into consideration here. C. Strickland feels that the ISO item is completely separate.

D. Middleton commented that the only thing that is not going to change is that responders will still be there. Personnel will not be lost. Middleton commented the success TTES has had in saving properties is pretty good. State Farm takes each fire department's personal loss record into consideration and pays no attention to ISO. Middleton commented that the ISO is not a determining factor to him. It is just a factor that people need to know about because their insurance company may raise their insurance cost because of it. Middleton advised those with increases to shop for insurance companies that do not factor in ISO.

Rottschafer commented that he is looking for some money to save. Rottschafer mentioned the Cuddy Drain project that is coming up and that other issues may come up. Rottschafer felt to pay an extra \$100,000 a year is wrong. "I have no idea how you'd get an answer to the ISO thing," said Rottschafer. Rottschafer also commented that his analysis and the Chief also mentioned that you can't go by the ISO rating because everyone's fire insurance is different. As to trying to assume it is a \$900,000 bill, Rottschafer commented that he didn't know how it could ever be determined.

Pat Jansens – commented that he has seen the Planning Commission work a year on a particular item and felt that the one year option would be a wise choice.

M. Cunningham commented that the chief commented on ISO and that some insurance companies don't even use it. Cunningham commented that ISO might be on its way out as far as usefulness goes. Cunningham felt Option #3 was like "kicking the can down the road" and Option #2 was the only thing that would affect the ISO.

Vivian Conner – commented that she had heard two things just today. V. Conner had an emergency management class presentation in Lansing and commented that there is a lot of responsibility sitting on the board concerning emergency responsibility. Conner also heard today the President of MSU speaking of the trend of young people being very mobile and moving around and the "30 year job" is going to be for very few. "You have this big responsibility and less and less to draw from," commented V. Conner.

Jake Welch- commented on being fairly new to the township but has met plenty of people. J. Welch doesn't think that demographics matter. He thinks the people of YS are less likely to go through the firefighter training. He's in the age bracket and he is not going to be a firefighter. Welch doesn't have time. ISO rating shouldn't be a factor in this, according to Welch and added as far as a survey, if he didn't see the board members face to face, he would not fill out a survey. Option #2 would be his preference. He knows his insurance will go up, but is still in favor of #2. Welch also commented that he understands not talking about what to do with the equipment and building, etc. at tonight's meeting, but he felt that these additional issues do matter and is important stuff.

Kent Schaffer, of Payne Lake Rd. commented on many years ago starting the fire service out in YS Township with a one stall station and then going to the new station and up to 6 stalls. Schaffer added that it took many years to get to this point and peaked out at 8 to 10 volunteers. Schaffer commented that now going down to 1 or 2 personnel and to build that back up is going to take several years (5 to 10 years if it could happen).

Mary Cook clarified that she favors Options #1 or #2. She felt that Option #3 would be a comfortable place for the board but didn't want to "kick the can down the road." Cook commented on the savings of the township of \$100,000 a year. Mary commented about not putting the money into the fire equipment purchase fund every year and the millage. M. Cook agreed with C. Strickland that the ISO should not be a consideration. "You can't predict the future," added M. Cook. Cook also commented that to spend several thousands of dollars on this survey (ISO) would be wasting the township dollars. M. Cook commented on the amount of money that is going to be saved by the township, and the expensive projects coming up. She sees it as a "win-win". M. Cook added, "It just fiscally makes sense."

Shane Vandenberg agrees with not kicking the can any longer and would like to get a motion on the table to vote on it. S. Vandenberg commented that when a board member doesn't have the courage to make a motion, take a vote, and that person keeps their viewpoints hidden from the community, they shouldn't be in positions of leadership.

D. Middleton clarified that Yankee Springs still has nine to ten people, but they are just spread out further. D. Middleton commented that the one or two that Kent mentioned earlier are the ones that lived the closest to the YS Fire barn.

Motion by Rottschafer with support from Campbell to create a new contract with TTES for full coverage from the Middleville station for \$175,200 per year starting at the beginning of 2015 fiscal year and eliminating the YS Twp. fire barn and in addition sell off the fire equipment.

Jerkatis called for discussion on the future use of the barn and equipment.

Rottschafer commented that the call for discussion was not something that could be covered at this time and redirected to the motion at hand.

ROLL CALL:

Rottschafer: YES Campbell: YES
Lippert: NO Jerkatis: NO Englerth: NO

Englerth commented that there is still a lot of work and discussions ahead regarding this issue. Englerth mentioned representing 4,000 people and fire service will go on month by month. Englerth feels it is important to hear from everyone in the township. After the vote, Englerth also commented that he felt the board was on the right track and asked if the board would want to look at it a week from now, or a month now. Englerth added that this has been an issue for five, eight, ten years and maybe a different option could be entertained in 30 days.

Motion by Lippert to accept Option #3 for \$127,460 continuing the same contract formula which we have been working with for the past ten years using updated numbers and continuing to have a seat at the monthly meetings with TTES, for one year beginning April 1, 2015, at the \$127,460 contract amount.

MOTION FAILED for lack of support.

Greg Purcell confirmed with the Fire Chief that Option #3 automatically continues. By taking no action, it automatically continues. Supervisor Englerth also confirmed this with Mike Bremer, Thornapple Township.

ADJOURNMENT:

Motion by Rottschafer with support from Campbell to adjourn at 8:52 p.m. Roll Call vote on adjournment: Jerkatis: yes, Lippert: yes, Englerth: no, Rottschafer: yes, Campbell: yes. MOTION CARRIED.

Respectfully submitted:
Deb Mousseau
Recording Secretary 4/6/15

Date: clerk's draft copy distributed 4-8-15 for
BOARD APPROVAL APRIL 9, 2015

Approved Date: _____
Janice C. Lippert, Township Clerk

Final Approval of Minutes: April 9, 2015

Motion and supported Option 2 as presented by Rottschafer's Analysis (page 4 of 5)

MOTION FAILED.

Motion to accept Option #3 for \$127,460. MOTION FAILED.

ADJOURNMENT

Page 9 of 9
YST Bd Trustees
4/1/15