

Approved	<input checked="" type="checkbox"/>
Unapproved	<input type="checkbox"/>

LEE TOWNSHIP Special Meeting

August 19, 2009

The Special Meeting of the Lee Township Board was called to order at 7:00 p.m. at the Lee Township Hall located at 877 56th Street, Pullman, Michigan.

Members Present: Trustee Black, Trustee Ferguson, Supervisor Miller and Clerk King.
Absent: Treasurer Lowery

The purpose of the Special Meeting was to find answers to the many questions regarding the 45 day referendum, and the process of applying for grants and the issuing of bonds to fund the new fire department/township hall project.

Paul Bristol of the USDA (Grand Rapids office) explained that the program that the township has qualified for is more of a loan/grant program, meaning that with the approved loan, you receive some grant money to help with financing the project. This program is used by cities, township and fire authorizes to purchase buildings, large pieces of equipment, etc. One of the stipulations is that the project cannot be recreational such as golf courses and other recreational projects. He explained that the USDA had approved the township for a \$50,000.00 grant with a loan in the original amount of \$400,000.00, but the loan has been increased to \$500,000.00 at a fixed rate of 4.375% approximately and a term of up to 30 years. This loan can be paid in full at any time without penalty. The payment would be approximately \$24,200.00 per year.

Also discussed was the general obligation bond and what this means. The State requires that a 45 day referendum be published in the area of general population, and it must be at least a ¼ page size ad. This needs to be published only once. This is also a requirement of the IRS. Attorney Harold Schuitmaker will be working with the township to help lead them through this process to insure that all necessary requirements are met and the township is in compliance. The balance of the project would be then taken from the Fire Departments budget as well as the General Fund. How this will be divided has not yet been decided. Currently, there will be no millage requested from the taxpayers to fund this project.

Paul Bristol instructed that the initial application be sent in with a copy of the latest audit report; it will most likely be rejected because of the delinquent tax rate within the township. At this point a standard long form will be filled out; this would then be reconsidered and most likely approved.

The items that need to be accomplished at this stage are: 1. Sales agreement on property (109th/Wesbey) resulting in the purchase. The property has had a title search and test wells done to be certain that it would be the best possible site for this project. The loan application has been approved with the grant monies of \$50,000 and the township's portion of fund to complete the project. 2. Resolution –Notice of Intent to be signed and published in the local newspaper (Allegan County News & Gazette) and lastly, 3. the resolution to retain services with Attorney Schuitmaker to guide the township through the process.

Motion was made by Miller and seconded by Black to purchase the property located on 109th Avenue which is owned by Wesbey's in the amount of \$40,000.00 and to close as soon as possible. Roll call vote was taken: Yes- Black, Ferguson, Miller and King. Motion carries.

Motion was made by Miller and seconded by Black to accept and sign the resolution for the Notice of Intent and authorize the Clerk to publish the 45 day referendum notice in the Allegan County News &

Gazette paper with the clause, "loan not to exceed the \$650,000.00." Roll call vote was taken: Yes-Black, Ferguson, Miller and King. Motion carried.

Motion was made by Miller and seconded by Black to approve the legal service agreement for Attorney Schuitmaker at the same hourly rate, but not to exceed \$6000.00 for total project. Roll call vote was taken: Yes – Black, Ferguson, Miller and King. Motion carried.

| Citizen's Comment: Harold Schuitmaker commented to the board regarding the donated church on 56th Street and the tax appeal on the Warner Camp property.

Meeting was adjourned at 7:55 pm.

Minutes submitted by
Jacquelyn A. King