



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
BUREAU OF CONSTRUCTION CODES
IRVIN J. POKE
DIRECTOR

STEVEN H. HILFINGER
DIRECTOR

**STATE BOUNDARY COMMISSION
BUREAU OF CONSTRUCTION CODES**

Meeting Location:
2501 Woodlake Circle - Conference Room 3/First Floor
Okemos, Michigan 48864

MINUTES
February 8, 2012

DOCKET# 11-AR-1
HURON COUNTY

MEMBERS PRESENT

Mr. Dennis Schornack, Chairman
Mr. Cameron Priebe, State Commissioner
Mr. Mark Green, Local Commissioner

MEMBERS ABSENT

Mr. Clay Kelterborn, Local Commissioner
Mr. James Stewart, State Commissioner

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS PERSONNEL
ATTENDING

Mr. Kevin O'Brien, P.S., Office of Land Survey and Remonumentation
Mrs. Angela Sanderson, Secretary, Office of Land Survey and Remonumentation
Mr. Chris Beland, Director, Office of Land Survey and Remonumentation
Mr. Keith Lambert, Deputy Director, Bureau of Constructions Codes

OTHERS IN ATTENDANCE

Mr. Andrew Mulder, Attorney for City of Caseville
Mr. William Fahey, Attorney for Caseville Township
Mr. Forrest Williams, Caseville City Clerk
Mr. Wayne Hazzard, City of Caseville

Providing for Michigan's Safety in the Built Environment

1. **CALL TO ORDER AND DETERMINATION OF QUORUM**

Chairman Schornack called the meeting to order at approximately 1:30 p.m. and read the Opening Statement. A quorum was determined present at that time.

2. **APPROVAL OF AGENDA**

- a. A **MOTION** was made by Commissioner Green and supported by Commissioner Priebe to approve the Agenda for the meeting. **MOTION CARRIED UNANIMOUSLY.**

3. **APPROVAL OF DRAFT MINUTES**

- a. A **MOTION** was made by Commissioner Green and supported by Commissioner Priebe to approve Draft Minutes for Huron County for the January 11, 2012 meeting. **MOTION CARRIED UNANIMOUSLY.**

4. **DOCKET # 11-AR-1 – ADJUDICATIVE SESSION TO ADOPT FINDINGS OF FACT**

a. **Involved Parties:**

Mr. Mulder refers to Findings of Fact in relation to the consideration by the Boundary Commission to the various annexations criteria referenced in paragraph 4 of the Conclusions of Law. He explained his understanding of the comments made by Commissioners and explained that one of the positions that the township has taken is that this doesn't meet the requirements for annexation because services are already being provided. He continued to explain that all of the services that are being provided except those that are under intergovernmental agreements with the Township, are being provided by the City and that this is a key consideration by the Boundary Commission in this case and something they gave a great deal of credibility to. He said that in viewing the annexation criteria its not just does the property have service, but who provides the service, and also the appropriateness of the historical context that this property was in at the time the incorporation petition was made.

Mr. O'Brien responded saying that the reference to whom provides services to the area is reflected in the Summary of Proceedings.

Mr. Fahey wanted to make the Boundary Commission aware of a procedural issue. He stated that last week he received a call from the City of Caseville attorney asking to settle under a 425 Agreement. His client (Caseville Township) is interested in doing that, but he doesn't feel like it makes sense for the Boundary Commission to approve the petition the parties are in a position where they are able to settle under a 425 agreement. If they do enter the Order, he will file a case with Circuit Court and if they can resolve under a 425 Agreement, they can avoid doing that. He suggested that if the Boundary Commission would hold this up for a time to see if they can reach Agreement, then it would make the Boundary Commission's decision moot.

Commission questions/discussion/deliberation: Discussion ensued.

Mr. Mulder responded saying that Mr. Fahey is correct that they've had some more discussion about 425 Agreement, and he doesn't see the Boundary Commission moving forward with a decision as impairing that agreement process. Under a 425 Agreement one of the things that can be done is that the property (Blue Chip) could be transferred back into Township. He felt that they still have not resolved the asset and liability allocation issue when the city was incorporated under the Home Rule City Act. He said that the appeal period doesn't begin until the Order is final and that there is still time to address issues appropriately. Parties are on even ground to negotiate a 425 Agreement. He felt that both sides are motivated to come to an agreement and that there is enough time to do that before the Order becomes final.

Mr. Williams stated that if and when a 425 Agreement is created, that there are other parcels that the annexation would include and that would be involved rather than just the ones that Blue Chip factory owns.

Mr. Schornack agreed with Mr. Mulder and said that there was a delay in making a decision in the previous session and that he didn't feel that any action today to approve annexation would impair any further progress on a 425 Agreement being reached. He expressed that they all would like to see this worked out locally. He stated that the Boundary Commission are here to settle boundaries and it's up to everyone to settle things with Blue Chip.

Commission questions/discussion/deliberation: Discussion ensued.

Mr. Fahey stated that as soon as the Final Order is entered he will be moving very quickly to file an appeal. He questioned what would be gained by entering an Order now when the parties might be able settle and avoid costs completely.

Mulder states that there is an appropriate amount of time after the Order is entered to move aggressively to get this agreement made. He stated he felt that entering an order would only encourage the parties to come to agreement more quickly.

Mr. Williams stated that the City Council met last week at a special meeting to discuss this issue and unanimously agreed to move forward to work toward a 425 Agreement under the impression that the annexation was going to take place.

Commission questions/discussion/deliberation: Discussion ensued.

Mr. Hazzard stated that there are two parts to this possible 425 Agreement. The council has agreed with the factory (Blue Chip), but there is also some private property that needs squaring off.

Mr. Green asked if Mr. Hazzard was referring to a gentlemen at the hearing has a home that's in the city and wants his home to remain in the city; currently his home is in both the city and the township on the border.

Mr. Schornack stated to the Commission and involved parties that he felt that if director signs the Order and Mr. Fahey files an appeal, that action would put some pressure on the negotiations to move forward more quickly with an agreement. Mr. Schornack on behalf of the SBC strongly encouraged the parties to commence to work on and agree if possible to a 425 agreement regarding this docket.

Commission questions/discussion/deliberation: Discussion ensued.

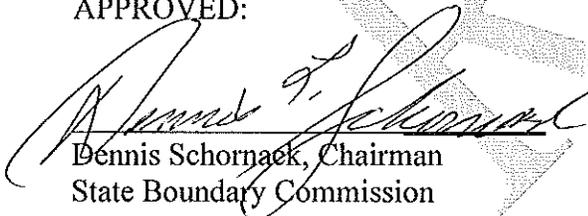
Mr. Schornack asked if anyone from the public would like to comment. There was no response from the public. He then entertained a motion to adopt the Summary of Proceedings, Finding of Facts, and Conclusions of Law to recommend that the Director of the Department of Licensing and Regulatory Affairs sign the Final Order to approve Docket 11-AR-1 including the expanded area south of the annexation petition.

Commissioner Priebe made a **MOTION** and Commissioner Green supported the motion to adopt the Summary of Proceedings, Finding of Facts, and Conclusions of Law to recommend that the Director of the Department of Licensing and Regulatory Affairs sign the Final Order to approve Docket 11-AR-1 including the expanded area south of the annexation petition. **MOTION CARRIED UNANIMOUSLY.**

5. ADJOURNMENT

Chairman Schornack adjourned the session on Docket 11-AR-1 at 2:14 p.m.

APPROVED:


Dennis Schornack, Chairman
State Boundary Commission

4/11/2012
Date