

Campaign Finance Complaint Form Michigan Department of State

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This complaint form may be used to file a complaint alleging that someone violated the Michigan Campaign Finance Act (the MCFA, 1976 PA 388, as amended; MCL 169.201 *et seq.*). All information on the form must be provided along with an original signature and evidence.

Please print or type all information.

I allege that the MCFA was violated as follows:

Section 1. Complainant			
Your Name	JOHN F. ROYAL	Daytime Telephone	313-333-4245
Mailing Address	P. O. Box 393		
City	Boyne City	State	MI Zip 49712-0393

I am a resident of Charlevoix County, Hayes Township

Section 2. Alleged Violator			
Name The Hayes Township Sentinel; Frank Shepherd, Publisher; Leslie Cunningham, Editor			
Mailing Address P. O. Box 581			
City	Charlevoix	State	MI Zip 49720

Section 3. Alleged Violations (Use additional sheet if more space is needed.)

Section(s) of the MCFA violated: **MCL 169.203(1), (2), (4); 169.205(2), (4); 169.208(3); 169.209(2), (3), (7), (8); 169.210(2); 169.211(2), (3), (7)(c); 169.221(3), (4), (6), (7), (8), (9), (10), (11), (12), (13); 169.224(1), (2), (3), (5), (6); 169.224b (1), (2), (3), (4), (5); 169.224c(1); 169.225; 169.226; 169.233; 169.233a; 169.235; 169.236(1), (3), (5), (6); 169.237; 169.247(1), (4), (5), (6); 169.251(1), (2); 169.252(1), (2), (7), (8), (9), (10); 169.270;**

Explain how those sections were violated: (1) For the last year, Frank Shepherd and Leslie Cunningham have

published a one-sided, largely inaccurate monthly campaign publication called "The Sentinel," which is completely a political campaign advertisement. It urges Hayes Township residents to recall current Hayes Township (Charlevoix County) Clerk Marlene Golovich and Trustee Paul Hoadley from office; and to instead vote for and elect Warren Nugent for Hayes Township Clerk; Julie Collard for Hayes Township Treasurer; and Bob Jess for Hayes Township Trustee. This publication has been distributed free by U.S. Mail to every resident of Hayes Township. The following legend is printed in every issue: "Published by: Hayes Township Sentinel, A Non-Profit Corporation."

(2) There is a monthly advertising circular called the Charlevoix Community Shopper. It is distributed in Charlevoix County, and is distributed free by U.S. mail to every resident of Hayes Township. For at least the last four months (July, August, September, and October, 2018), this circular has contained a paid ad urging Hayes Township residents to vote for Nugent, Collard, and Jess for the Hayes Township Board of Trustees. Each ad has been labeled: "Paid for by the Hayes Township Sentinel; P. O. Box 581, Charlevoix, MI 49720." I have called both the Charlevoix County Clerk and the Secretary of State and have been informed that "The Hayes Township Sentinel" is not registered as a Campaign Committee; a Political Committee; an Independent Committee; an Independent Expenditure Committee; or a Super PAC Committee. The distribution of The Sentinel newsletter and of the paid

ads in the Charlevoix Community Shopper by persons who are not registered as any type of campaign committee are clear violations of Michigan's Campaign Finance Act.

Evidence that supports those allegations (attach copies of pertinent documents and other information): The first issue of The Sentinel

was published in November, 2017, and it has been published every month since then. Every issue is ~~nothing but one-sided, largely inaccurate partisan advocacy and political advertising for the recall of Township Clerk Marlene Golovich and Trustee Paul Hoadley from office; and for the election of Warren Nugent for Hayes Township Clerk; Julie Collard for Hayes Township Treasurer; and Bob Jess for Hayes Township Trustee.~~ These three people are candidates for elective office, as defined by MCL 169.203(1) and 169.205(4). This political advertising is covered by Michigan's Campaign Finance Act (MCFA), and must be published by an authorized committee, organized pursuant to the MCFA. I do not have extra copies of every issue. I am attaching copies of two issues (February and September, 2018), as representative samples.

Further, the paid ads which have been placed in the Charlevoix Community Shopper during the months of July, August, September, and October, 2018, are clearly ads which can only be placed by an authorized committee, organized pursuant to the MCFA. Copies of the ads for these four months are attached.

The Hayes Township Sentinel has not filed a Statement of Organization as required by the MCFA. The paid ads in the Charlevoix Community shopper do not contain the wording: "Not authorized by any candidate committee." No issues of the Sentinel have contained the wording: "Not authorized by any candidate committee." As Required by MCL 169.247(1).

The distribution of The Sentinel and the Charlevoix Community Shopper are "mass mailings" as defined in MCL 169.210(2).

A recall election is covered by the MCFA. MCL 169.205(2).

Section 4. Certification (Required)

I certify that to the best of my knowledge, information, and belief, formed after a reasonable inquiry under the circumstances, each factual contention of this complaint is supported by evidence.

X

John F. Royal
Signature of Complainant

October 27, 2018
Date

Section 15(8) of the MCFA provides that a person who files a complaint with a false certification is responsible for a civil violation of the MCFA. The person may be required to pay a civil fine of up to \$1,000.00 and some or all of the expenses incurred by the Michigan Department of State and the alleged violator as a direct result of the filing of the complaint.

Mail or deliver the completed complaint form with an **original signature and evidence** to the following address:

Michigan Department of State
Bureau of Elections
Richard H. Austin Building – 1st Floor
430 West Allegan Street Lansing,
Michigan 48918



Hayes Township SENTINEL

Keeping Watch and Shining Light on the Politicians and Political News of Hayes Township
Published Monthly and Mailed Free to all Residences of Hayes Township, Charlevoix County
www.hayestownshipsentinel.com

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SEPTEMBER 29, 2018



Ron VanZee

A message from your Supervisor, Ron VanZee

“It’s your money; you decide”

For ten years or more the previous Hayes Township Board of Trustees kept your road mileage money in the general fund, which is against state law. The Board had been warned repeatedly by the auditors to create a separate road fund.

When I was elected in 2016, I began asking for a simple inexpensive audit to ensure that your road tax dollars had not been used for the Camp Seagull park acquisition and project. Marlene Golovich, Paul Hoadley, and Robbin Kraft refused!

In 2017 Matt Cunningham and I asked the Trustees to consider a less invasive, more affordable park plan. We had a Hayes Township resident donor who offered to pay for redesigning the plan. Once again, Golovich, Hoadley, and Kraft refused!

Any time we have been discussing the park plan, I have repeatedly asked, “Do we have adequate funds? ...Post your numbers on the township website in under-

standable language and format.” The three continue to refuse.

Golovich, Hoadley, and Kraft said in January of 2018 that they would not approve a park project contract if it came in too high. But when the bids came in much higher than the engineers estimate they stripped away all the safety features and the infrastructure for future development and approved it anyway.

They said over and over that they would never borrow money for this boat launch. Yet they borrowed \$250,000 from a local bank.

At the design phase, Golovich, Hoadley, and Kraft hired an engineer without advertising for competitive bids. Why?

Before the construction phase began, the pre-2016 Board wanted the dead ash trees cleared from the park. And again, instead of seeking competitive bids, they hired the spouse of Clerk Marlene Golovich (a family business in which she is a principal) to do the clearing, to the tune of \$46,000.

And further, Golovich had signed as grantee of the DNR Trust Fund acquisition grant stating that neither she nor anyone in her family would benefit financially because of the grant. Why?

The same Board also hired Golovich's brother-in-law as a maintenance man for the park, again with no advertising or competitive bids and violating the general law township rule of incompatibility as well. Why?

Clerk Marlene Golovich, a supervisor of Township employees, suggested to the Board that they hire her as office manager and park manager, again without advertisements or competitive bids. They did.

Clerk Golovich supervised herself, and then supervised herself again! Incompatibility! Why?

Now we, the taxpayers of Hayes Twp. are having financial trouble and we have asked Golovich, Hoadley, and Kraft repeatedly “How much are you willing to spend on this Boat Launch?

What is your cap?” They will not answer. We have also asked on countless occasions how much the taxpayers have paid so far for the park? No answers.

After Paul Hoadley, Trustee Matt Cunningham and I attended a 2017 Michigan Township Association financial planning conference in Lansing, Paul said to me, “We’re in trouble, aren’t we Ron?” But has Hoadley ever suggested getting the financial facts? No he has not.

Well, yes, Paul we were in trouble then and we are now, and it’s the vote of the three trustees up for recall (Kraft withdrew her name and is not on the Nov. ballot) that has gotten us into this mess.

Matt Cunningham and I asked the Board late in 2017 for an audit. The three voted it down. In the same meeting, we asked the Board to go to mediation, which was suggested by Chip Hansen of the Charlevoix Community Foundation, but Golovich, Hoadley, and Kraft refused.

Many in the Township believed that their only recourse was to mount a recall campaign. And so here we are at a community crisis in our neighborhoods. I am asking you to vote to end the governing by phone, the secret meetings with the engineer, the refusal to share information with the public, the exclusion of Matt and I from knowing what they are planning to bring up at the next meeting or even if Robbin is moving, and the selfish manipulation of others out of spite to further their personal agendas.

This must all stop. I hope you will join me in bringing positive planning and cooperation towards our common good. Help me start the healing of our community by voting for Bob Jess, Julie Collard and Warren Nugent on Nov. 6th and stop this insanity!

Respectfully,
Ron VanZee
Supervisor, Hayes Township



Frank Shepherd

A discussion with your editor & publisher

Coffee talk with Frankly Frank and More from Les



Leslie Cunningham

Frank: I hope everyone votes this November. Hey Les, do you remember the primary of August 2016 in Hayes Township?

Les: Sure do. Bob Jess and Paul Hoadley tied for one of the Trustee positions, TIED!! And people still think one vote doesn’t make any difference!

Frank: Oh boy and we had to go to the County Clerk’s office and draw a name out of a cup. Paul Hoadley won the draw. Then Jess

asked for a recount and Hoadley won by 2 votes. That was crazy. Sure hope that doesn’t happen again.

Les: Me too. Jess and Hoadley are facing off in this recall election. Who are you voting for?

Frank: Bob Jess, because it’s time to replace Hoadley. Bob has a lot of land-use training and thinks about how something should be built and *why* it should be built. He worked with Pine Point

residents to clean up and expand the Eastern Avenue Beach. It’s gorgeous. He has a lot of smart environmental ideas and is perfect to head up a Public Energy Committee for the Township. He is fair-minded. How about you?

Les: I’ve known Bob and his folks ever since he played basketball for the Charlevoix Rayders! He grew up with my kids. I’ve watched him figure himself out, and develop into a fine young man that I am proud to call my friend.

Frank: How about the Clerk’s position? Who are you voting for? Les: Warren Nugent for sure! His resume is chocked full of business qualifications, facility development, and engineering with UPS, and record keeping and budgeting. He and wife are solid Hayes residents and have watched our present financial and transparency crises develop with the current board members under recall. Warren is both a detail person and a strategic thinker. He understands serving and

informing citizens as opposed to personal agendas and control. If he is elected we will have board packets and all financial information online and in print every month. His votes will reflect what is best for the township as a whole every single time.

Frank: And then there is Julie Collard, who has been reporting for us and recording and saving all the meeting recordings,

See COFFEE TALK, Page 8

Supervisor VanZee puts the brakes on change

During a very well attended special Board of Trustee meeting on Wednesday, September 5, (absent Treasurer Robbin Kraft), three change orders totaling almost \$50K were presented by engineer Jim Malewitz, from Performance Engineering. Malewitz recommended approving change order #3 that will increase the drainage for the area where the natural springs are in the park. He also spoke in support of a change order to add support rods to the single sheet sea wall.

Both MDC and the Hydro Engineer made an assessment of 100 feet of hillside frontage that they believe requires an additional stabilization system to hold the soil on the steep grade.

Malewitz, however, told the board that he has been watching the effects of the heavy rain on this hillside and does not agree with their recommendation.

Supervisor Van Zee spoke to Mike McCain from MDC regarding this, and he said they will not stand behind this part of the work without further securing the 100 feet of frontage.

Trustee Matt Cunningham asked "Where do we stop spending? It seems like there is no end to it. Is there a cap where everybody would stop?"

Both Paul Hoadley and Marlene Golovich were ready to approve all change orders, with Golovich commenting "How can we not do it?"

Supervisor Van Zee explained his position: "I don't think any of this is unforeseen, I think it should have been in the contract since day one. I don't think its good engineering- the springs were there all along. The township hired you (Malewitz) to check these things out. We hired someone to do the proper testing, but because I feel strongly that it is not unforeseen, I have to vote no. If it does pass, I ask the board to have someone else sign the change orders." The crowd burst into applause as VanZee completed this statement.

Malewitz responded by saying he can understand why he feels that way, but doing more testing before the project would have been an expense that he knew would be a strain on the Township finances. "When you look at the overall value of the project, the money is not significant," Malewitz said.

"We may not have had a project," Van Zee said.

The board voted on change order #3, with the vote failing to have a quorum and did not pass. Hoadley was quick to comment "On Monday we will have a quorum and can pass this vote."

"I think there is responsibility that the engineer needs to take," VanZee replied.

The other change orders were tabled until the regular Board of Trustee meeting Monday, September 10th.

Public Comment opened, and with a few exceptions, people

spoke out in support of VanZee's comments. Many continued questioning why some board members are pushing so hard to rush the work at the park. People continued to make impassioned pleas regarding the decisions being made.

"Pause is needed! It's so sad for an agenda to be pushed—it's disgusting to me."

"No accountability—if it was too steep to test, why build there?"

"I don't think we should be used as a blank check for MDC/Malewitz."

"I am appalled at the unprofessional way this project is being run. The engineer is not organized and lacks of professionalism. This is how our tax dollars are being managed?"

Warren Nugent commented: "Ron, you're right. Board members just got this (change order information)...There is a lot of fuzzy math with this project."

Vikki Damon asked VanZee his vision for the park. He replied, "A vision of a park where the whole family can enjoy a Sunday afternoon."

Shirley Tripp said "It's not easy sitting in those chairs (on the board). The people (attending the meetings) need to be listened to."

Roy Griffiths inquired "When is the reporting system going to be in place for Camp SeaGull?"

The change orders will be revisited at the regular BOT meeting on Monday, September 10th, at 7pm.

Board at a stalemate on appointing a new treasurer

A special Board of Trustee meeting was called on September 18, 2018, at 3pm with two items on the agenda: pay warrants (invoices) to Manthei Development (MDC) and Performance Engineering, and to discuss the appointment of a new Treasurer.

The two Warrants to Manthei Development for the work they have completed at Camp Sea Gull totaled \$321,698.78. The warrant for pro-rated billable hours to Performance Engineering was for \$9,108, for a grand total of \$330,806.78 being approved to pay out of the Camp Seagull fund.

Then Supervisor Van Zee opened the board and the floor to comments regarding the appointment of a new Treasurer in the wake of Robbin Kraft's resignation, which was effective on September 20th.

Both Paul Hoadley and Marlene Golovich continued to push for Patricia Feliciano, the current Deputy Treasurer, to be appointed for the 6 weeks left until the November election.

Ron VanZee cited a conflict of interest in appointing Patricia Feliciano as interim Treasurer. Her husband Omar Feliciano is on two township boards as well as employed by the Township as its Webmaster.

Golovich's comments were concerned with paying the Treasurer's salary to Treasurer candidate Julie Collard as she begins assuming the responsibilities and learning the routines of the position. She said that she believes Collard is unqualified. Golovich also advised Collard to get training on her own time with her own resources and refused to consider her as a solid choice for Treasurer, even though Collard is running unopposed.

Golovich insisted that the Township should not have to pay a salary while Collard learns the job, even though Golovich has been in favor of paying others to learn.

Charlevoix County Clerk Cheryl Brove has advised VanZee that Collard would be the person that would make the most sense to appoint at this time, since she will be Treasurer after the November 6th election anyway. Charlevoix County Treasurer Marilyn Cousineau has offered her assistance to Collard, as well as that of the Chief Deputy Treasurer Betty Simon. Without a Treasurer the bills and payroll cannot be paid.

Warren Nugent came to the defense of Collard. "I think you would find that working together (Collard and Feliciano), Julie would be doing a ton of work as well." Meanwhile Robbin Kraft obviously forgot that the meetings are recorded so everyone can hear what takes place and at the 1:18 mark on the recording she says, "She's never been trained as Treasurer," Kraft giggled to Golovich.

When asked what will happen without a Treasurer, VanZee said "We will have to figure this out and get it back on track as fast as we can. I want to make sure we follow the law and the procedures and we are going to be finding out how quickly we can turn this all around."

Robbin Kraft retires, change orders adjusted

During the September Board of Trustee Meeting, it was announced that Treasurer Robbin Kraft is resigning, effective as of September 20, 2018. Kraft sent this information via a letter and was not present at the meeting. This leaves the township without a Treasurer until the November 6th election.

There was a motion made to appoint Patty Feliciano, current Deputy Treasurer, as temporary Treasurer, but it was voted down. Supervisor Ron VanZee praised Feliciano's work, but said he wanted more time to decide what the appropriate process within the Township is.

Regarding the change orders discussed at the special BOT

meeting held on Wednesday, September 5th, VanZee said "I'm really glad we took an extra few days. The contractors dug out a rain garden and did further excavation looking for substantial soil to hold on the slope. We went through the change orders thoroughly—there is a reason for hiccups, we didn't have a chance to ask questions or survey the sight (before the special meeting)."

Aaron Nordman from Performance Engineering explained the details of proposed Change Order number 3 for Phase One of Camp Seagull. He was clear in his description and was able to answer all of the questions asked by both board members

and residents. He explained the additional drainage field precautions using everyday language that everyone present was able to understand. Nordman did tell the board that the work completed by Performance Engineering would be warranted for a year.

Change order #3 came to a total of \$25,843.60. The board passed it. "I think we took the extra step to make sure we do it right," VanZee commented.

Change order #4 is for \$8,334.90 and will be to add tie rods from the pier to the single sea wall to help stabilize it. The board passed the motion for this change order as well.

The current Cemetery Or-

dinance was amended to reflect the MTA recommendations. Cemetery fees were also reviewed, as well as discussion of an additional two members from the community to join the cemetery committee for a total of 5 members. The openings will be posted on the Township website for interested individuals.

Site Planning sent a proposal to remove/treat phragmites along the Lake Michigan shoreline in Hayes Township. They proposed \$350 for treatment and the motion was passed.

Matt Cunningham, on behalf of the Planning Commission, requested That we conduct a community survey in the inter-

est of Master Plan revision.

The Planning Commission requested \$6921 for assistance from Beckett and Raeder, but after review, the board edited some of the items and approved approximately \$4900 for the requested assistance.

VanZee indicated that more change orders would be coming and will most likely need a special meeting to discuss and approve. He also shared that they could take more time to discuss the appropriate steps on handling the Treasurer vacancy, and add that to the agenda as well.

The next regular scheduled Board of Trustee Meeting is Monday, October 8, 2018 at 7pm.

SEPTEMBER 2018

A word from your candidates



Julie Collard

by JULIE COLLARD,
Candidate for Treasurer

When Hayes Township taxpayers rely on elected officials to

Time for Transparency

represent their interests, it is very important that every step of the way shows absolute transparency. For years, residents have asked repeatedly for the township financial reports and annual budgets to be posted on the Township webpage each month—this has not yet been done, and it keeps them in the dark on the financial status. There should be a clear reporting of how much money has been spent, how much money has come in, and at what percentage

above or below the budget this information falls.

This is basic accounting reporting. I'm a resident and I believe this information should be readily available; but it is not. As Treasurer, I will make sure this reporting is clear, up to date, posted online, and available for anyone to view. When I spoke to Dr. Dave Kemme, professor of Economics at Memphis University, he recommended the sources and uses of funds be shared, as well as assets,

liabilities, and net worth. He also mentioned that the general ledger of expenditures should reflect every transaction and check written. I highly value Dr. Kemme's suggestions, and will be sure to clearly report the Township financials as he outlined.

Unfortunately, much of the current state of confusion and frustration lies in the lack of transparency, and general shutdown of communication between current board members and the

public asking important questions. When you hold a public position, you have a responsibility to explain in detail your actions to the tax paying citizens who voted for you. It is their tax money that is being spent, and they have the right to know where every penny goes.

Transparency is right around the corner for Hayes Township, and it will be my first act as Treasurer to clearly share all financial information with our residents.



Warren Nugent

by WARREN NUGENT,
Candidate for Clerk

Well, the November election is just around the corner and in my mailbox I recently received a campaign flier from Marlene Golovich and Paul Hoadley that is loaded with bad information, half-truths and misleading statements.

Half-Truths and Misleading Information

Also, we have seen an increase in letters to the editor from Marlene herself and their supporters repeating these half-truths. They continue to claim that the boat launch that legal documents show is designed for 30' boats but is really only for small boats. Their excuse for this claim now is that the turn radius is designed so that you can't maneuver a 30' boat on a trailer.

Why spend large amounts of money to build a big boat launch but with a small area in which to turn around?

They keep repeating that they won't raise taxes but they have a signed agreement with the bank that loaned them \$250,000 for this

project that says they are willing to raise taxes if necessary.

Golovich and Hoadley keep saying they're doing this project to provide "lake access for all." We had lake access for all when we acquired the park with the beach, picnic areas, playgrounds, basketball court, and a kayak/small boat launch on the site that could have been upgraded. We also had a cafeteria/pavilion with real restrooms not the outdoor toilets in this project. Those amenities are all bulldozed in now to make room for this big boat launch.

In a recent letter Marlene Golovich says that Ethel Knepp had a vision for this 1.6+ million dollar

big boat launch and outdoor toilet project that Hoadley and Golovich are building. Well, it was Ethel who made the promises not to raise taxes or to use significant taxpayer dollars to build this park. When we had a fundraiser for the park some years ago Ethel handed me a park fact sheet that stated, "the township envisions a launch for small boats of the type that township residents might use for fishing." This is not what Marlene Golovich and Paul Hoadley are building.

Ethel also led the effort to survey township residents asking what they would like in the park at Camp Seagull. Number one on the list is restrooms. Next are

picnic areas, a swimming beach, playgrounds, and bike path. Finally way down at #7 on the list is a small boat launch.

Most importantly the finances of the township are at risk as they agreed to pay another \$330,000 at a special board meeting recently with more to come. Only Marlene Golovich knows what money we really have and any reports we get out of the township are always incomplete and misleading.

I urge residents to vote for Robert Jess, Julie Collard, and Warren Nugent this November and we will be more transparent with information and listen to the township residents.



Bob Jess

by ROBERT JESS,
Candidate for Trustee

I am in favor of the public having all the same information the Board does to make decisions and we will have it earlier than just prior to meeting time! I will not schedule special meetings at unusual meeting times. I will respectfully listen if you want to talk. I will promote smart growth in Hayes. I will be involved in environmentally designing and protecting our beaches and trails. I will work collaboratively with our neighboring townships and associations to maintain and improve

Ready to make a change

our area. We're all in this together.

If you too are ready for a change please vote, for me, Robert Jess for Trustee, Julie Collard for Treasurer, and Warren Nugent for Clerk. We need your help to make a positive change in Hayes. I'm ready to help make a change in the way we govern in Hayes Township. I don't understand what happens in the Board of Trustee (BOT) meetings much of the time because the Board keeps the crowd intentionally in the dark. I have been attending BOT meetings for several years and they won't, for example, post the materials online that are in their packets so the public has access to them before the meetings. I as well as many others have been asking the Clerk to do so for over 5 years. Hence, I have heard five years of reasons, none of which are believable, why the materials aren't posted. There is no excuse for this lack of transparency.

Here's another example. Several years ago, I was the only one in attendance for a Board of Trustees special meeting at 10:00 in the morning on a Wednesday. At that special morning meeting, eight items were added to the agenda and all the add-ons had to do with Camp Seagull Park. The BOT decided to auction off the cafeteria building, which was a fantastic township asset. The Trustees told us how someone would bid a lot of money for the old cafeteria's steel beams and fine cherry wood. The results were that they didn't know what they were talking about while representing all of us. I then attended the bid openings where no one bid on the cafeteria. No one offered them money for the valuable materials as they had said someone would. Shortly after the bid opening meeting, they decided to knock down/remove the building.

At the same time all this was go-

ing on, the BOT had a proposal in hand to make the building operable to rent for \$26,500.00. Instead of fixing the building for that price, the BOT paid someone \$27,000 to take the building down. First, they were going to auction the building and make money, and then in the end they spent money. Poor planning, based on little to no research or experience, is a common theme with certain members (and a member that recently quit during her term) of the BOT.

Head scratching events like this have been going on for years in Hayes. No matter how many red flags are raised the BOT goes full speed ahead to implement the destructive and selfish agenda of three people.

The BOT had me scratching my head again at their special September 5, 2018 meeting, which was well attended. When the Board made their first change order on the Park project in August 1 as-

sumed the change order would be paid for out of the project contingency fund. I've been involved in projects worth millions of dollars and frequently a change order is paid out of the contingency fund, which is 5% on this project. In Hayes, with the current Board, a change order can come out of taxpayer money. So, at the special meeting when they were asking for money to pay for change orders 3 & 4 we learned that the board hadn't spent any of the contingency funds yet. They paid for the first round of change orders (change order 1 & 2) with taxpayer money that they told us would be our surplus funds for after the project is complete. A shell game in action, because current approved change orders now total \$91,000, which is much more than 5% of the original project bid. This is just the beginning. There are 4 more pending change orders, which have not been approved yet. Where is the cap on this project?

Who do you bel

Hoadley & Golovich say...

1. Vote for Lake Access for All.
2. Your taxes will not be raised to fund the park. There will be no millage increase.
3. Grant monies will finance the \$250,000 local bank loan.
4. Turn radius will permit only "small" boats.
5. They (Hoadley and Golovich) have kept their promise of providing a "beautiful park for ALL the residents of Hayes Township.
6. No boat launch, no grant.
7. At the end of project there will be no debt and a healthy surplus of funds.



*Keeping Watch and Shining Light on the
Politicians and Political News of Hayes Township
Published Monthly and Mailed Free to all
Residences of Hayes Township, Charlevoix County*

ieve?

In your mailbox you recently received a political mailer from Hoadley and Golovich. The title of their mailer was "Boat Lake Access for All". It contains many factual errors.

Our aim at The Sentinel from the beginning has been to shine a light on the politicians and report the political news in informative stories. In addition, we always give you our opinion on our opinion page and write columns explaining what "really" happened, especially regarding Camp Sea-Gull Park. Here is another opinion piece we hope "Shines a light" on the truth.

Here are the facts:

1. **NOT TRUE!** We had lake access when we acquired the park for \$4.3 million. It had a beach, picnic areas, playground, basketball court and a small boat launch. We also had a beautiful cafeteria building with restrooms and a kitchen. They tore down (paid \$27,000 to a contractor) and bulldozed the ground to make room for a road and boat launch.
2. **WOW!** What are Hoadley and Golovich, clairvoyant? (A person who claims to have an ability to predict events in the future) God has not made Hoadley and Golovich prophets. Simple, they cannot predict the future. The years ahead may require a millage to support the park since revenue from visitors may be non-existent. There is no provision in the budget for park income or maintenance cost.
3. **NOT TRUE!** Grant monies are "specific" to construction items in Phase one and cannot be used to pay back a bank loan. In fact the bank loan document signed by Golovich states the following: *"If necessary, the levy of ad valorem taxes on all taxable property in the Township for the payment thereof, subject to applicable constitutional and statutory tax rate limitations."*
4. **FOOLISH STATEMENT.** Legal documents show the boat launch is designed for 28' to 30' foot boats so why are they spending \$1.7 million to build a large, 150 long boat launch with such a small area to maneuver and turn around with your trailer. Foolish? Sure seems so.
5. **NOT TRUE.** They have proved it by cutting down over 200 old growth trees to reach the large boat launch; ripping out the old stone wall-- tearing down the cafeteria building to build a parking lot and destroying the flora to make way for a large boat launch. They are replacing the trees and flora with concrete and asphalt and hauling the spoils all to Maple Grove Road. How is this a "beautiful park for ALL residents? Seems like it is for boaters only and not for ALL residents.
6. **MISLEADING.** They never applied for grant money WITHOUT a boat launch included. But you should know that you the taxpayers of Hayes Twp., are funding the vast majority of Phase one. They have taken over \$900,000 from your savings account to pay for the boat launch and the price continues to rise.
7. **IMPOSSIBLE TO PREDICT.** They have already approved change orders totaling \$91,000 and the project is far from being done. We have approx. 70% of the cost to go and it will only go up not down so how can they predict the future and say there will be a healthy surplus of funds? Answer: They cannot make that promise.

Now you know the facts as seen through the lens of our staff. We have always favored lake access for all and we have, from the very beginning, favored purchasing and developing the park. In addition both Leslie and I donated money to purchase the park. However, we both have ALWAYS believed, from the very beginning when both Leslie Cunningham, our editor and Frank Shepherd, our Publisher, served on the township Park and Rec Committee, that we needed to develop a "family" park first and then build a small boat launch in the second phase. Families were and continue to be first on our mind. Obviously, Hoadley and Golovich have "boaters" first and on their mind which is evident in their votes for spending \$1.7 million on a boat launch. Please vote for Julie Collard, Warren Nugent and Robert (Bo) Jess in the November election and bring "families" back to the table.

★ SAMPLE BALLOT ★

We urge you to take back control of your tax dollars and change the direction of our township.

Please vote for Julie Collard, Warren Nugent and Robert Jess.

YOU have the power. Vote!

Color in the bubbles as shown below when you go to the polls on Nov. 6th.

Township	
Treasurer Partial Term Ending 11/20/2020 Vote for not more than 1	
Julie Collard Republican	<input checked="" type="radio"/>
	<input type="radio"/>
Recall Election	
Clerk Partial Term Ending 11/20/2020 Vote for not more than 1	
Marlene Golovich Republican	<input type="radio"/>
Warren Nugent No Party Affiliation	<input checked="" type="radio"/>
	<input type="radio"/>
Trustee Partial Term Ending 11/20/2020 Vote for not more than 1	
Paul Hoadley Republican	<input type="radio"/>
Robert J. Jess No Party Affiliation	<input checked="" type="radio"/>



EDITOR'S NOTE: Collard, Nugent and Jess were nominated and endorsed by the Charlevoix County Republican Party

HOW TO REGISTER TO VOTE

Saturday, October 6th is the
last day to register to vote
Please hurry, your vote counts!



To register to vote, you must be all of the following:

- A U.S. citizen
- At least 18 years old by Election Day
- A resident of Michigan
- A resident of the city or township where you are applying to register to vote.

(You must be registered to vote at least 30 days before the election, so keep that in mind if you are registering with the intention of voting in an upcoming election.)

You may obtain the application at one of the following:

- Your local Secretary of State branch office
- Your local county, city, or township clerk's office
- Offices of several state agencies, like the Department of Health and Human Services, the Department of Community Health, and the Department of Licensing and Regulatory Affairs

- Military recruitment centers
- Voter registration drives
- Online at www.Michigan.gov/sos

If you hand-deliver your application, the staff person helping you will take your form and you don't need to do anything else.

If you have never registered to vote in Michigan and choose to mail in your application, you will need to meet an identification requirement. This means you must: Enter your driver's license number or personal identification card number where requested on the form. OR

Send a *copy* of ONE of the following forms of identification with your application:

- A *photocopy* of your driver's license or personal ID card, or
- A *photocopy* of a paycheck stub, utility bill, bank document or government document that lists both your name and your address.

Your city or township clerk will send you a voter registration card upon processing your application. Keep it in your wallet or purse so you know where to go to cast your ballot.

For directions and a map to your polling place, visit www.Michigan.gov/vote.

When you go to the polls on Election Day, you will be asked to present voter identification. If you don't have acceptable photo ID, you can vote by signing an affidavit. The affidavit can be used by 1) voters who don't have acceptable photo ID or 2) voters who have photo ID - but didn't bring it to the polls.

- Acceptable photo ID includes:
 - Michigan driver's license
 - Michigan personal identification card
 - Driver's license or personal identification card issued by another state

• Federal or state government-issued photo identification

- U.S. passport
- Military identification card with photo
- Student identification with photo from a high school or an accredited institution of higher education, such as a college or university
- Tribal identification card with photo.

If you do not have a driver's license or other acceptable photo identification, you can get a state identification card at your local Secretary of State branch office for \$10. State ID cards are free to individuals who are 65 or older or blind or who have had driving privileges terminated due to a physical or mental condition. The fee can also be waived for individuals who present other good cause for a fee waiver. Proof of identity and residency are required when

applying for a state ID card.

Points to Remember

If you move to a new city or township, you must re-register. If you move within a city or township and are already registered to vote, you only need to update your address. If you are in jail, awaiting arraignment or trial, you may register to vote. If you are in jail after being convicted and sentenced, you may not register to vote or vote while you are confined.

Visit the Michigan Voter Information Center at www.Michigan.gov/vote for information about registering to vote and voting, voting equipment, polling place locations, state and local ballots, the candidates, campaign finance and more. Your local clerk can help with questions about your voter registration, polling place location and working at the polls.

★ ENDORSEMENTS ★

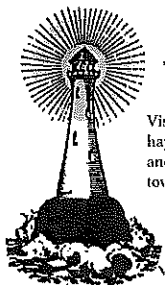
This is a partial list of the citizens who endorse Julie Collard for Treasure, Warren Nugent for Clerk and Robert (Bob) J. Jess for Trustee in the Nov. 6th election. Many more will be published in our October election edition. They urge you to join them in recalling Hoadley and Golovich and installing a new team to assist our popular Supervisor, Ron VanZee. You have the power so please vote on November 6th.

Ron VanZee
Terry Smith
Bill Eaton
Leslie Cunningham
Frank Shepherd
Rhea Dow
Tim Baker
Matt Berg
Ben Whitley
Robert M. Jess
Todd Vigneault
Bob Powers
Julie Smith
Michelle Biddick
Julie VanZee
Amber Jones
Jeff Foster
Rob Simpson
Gentry Peevyhouse
Cheri Bogan
Linda Wines

Melissa Williams
Gary Spencer
Scott Burns
Doug Labelle
Mike Dow
Jeanne Eaton
Paul Whitley
Beth Shepherd
Carol Greenslade
Carla Spencer
Cliff Biddick
Gerry Mills
Rebecca Zardus
Dan Berg
Sharon Bagby
Matt Cunningham
Joan Wagner
Jennifer Cunningham
Elizabeth Weiss
Jeff Wilson
Jim Dewitt

Doris Hayes
Shirlene Tripp
Connie Foster
Theresa Heise
Sean Davis
Mike Cullen
Charlene Novotny
Pete Gaskin
Dave Zipp
Cristen Cunningham
Doug Kuebler
Deborah Jess
Nancy Lacroix
Missy Labelle
Bill Tudor
Michael Voorhees
Paul Zardus
Laura White
Wayne Eskridge
Zeze Jess
Rosemary Wichowski

Laurence White
Roy Griffiths
Dave Kemme
Jessica Baker
Amylou Peevyhouse
Susan Pyke
Colleen Mohr
Robert J. Jess
Don Zipp
Rex Greenslade
Ellis Boal
LuAnne Kozma
Mary Mills
Lisa Vigneault
Pat Wickowski
Howard Richards
Scott Parker
Lynn Dewitt
Amy Cullen
Michael Cunningham



Visit our website at
hayestownshipsentinel.com
and listen to recordings of
township meetings.

HAYES TOWNSHIP SENTINEL

"Democracy Dies in Darkness"

Opinions

Shining Light on Political News

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We have been fooled!

\$6 million dollars for a 6 month park and we only get a boat launch

Abraham Lincoln once said...
"You can fool some of the people
all of the time, and all of the
people some of the time, but you
can not fool all of the people all
of the time."

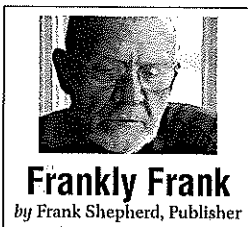
Well, in my opinion fooling us all
will come to a screeching halt on
November 6th with the election of
Julie Collard, Bob Jess and War-
ren Nugent and Ole Abe Lincoln
will prove correct once again.

Why? Because the vast majority
of you are no longer being fooled
by what is going on in the park.

You wanted Camp Sea-Gull Park
developed as a "family park" first
and foremost. You wanted the
natural and rustic character of the
park preserved. You did not want
just a large boat launch and a road
that wiped out a couple hundred
old growth trees. You did not
want clear-cut vegetation and the
excavation of the natural contours
of the lakeshore. Preservation
was what they promised. What
exactly have they preserved?
Nothing! They have done the
exact opposite!

And most of you certainly did

not want a boat launch built for
1.7 million dollars! You told the
township officials that in a survey
ranking a boat launch in 7th place
well behind a family park and its
amenities.



Frankly Frank

by Frank Shepherd, Publisher

In addition to the 4.3 million
dollar purchase price (for 20
acres) we now have 6 million
dollars invested without develop-
ing campsites; a ball field, flush
toilets; children's playground, or
an enclosed pavilion for family
reunions and birthday parties.

Do you want to go have a picnic
with your family? Good luck. Do
you want to roast marshmallows
with your kiddies? Do you want
an evening fire at your campsite?

Do you want a sandy beach expe-
rience without rocks everywhere?
Won't happen. You want your
kids to play on some playground
equipment? Forget about it. And
forget about flush toilets.

No, none of these are in the 1.7
million dollar Phase one; just a
large boat launch. And they talk
about closing the park Nov. 1st to
May 1st because of open waters
around the fishing pier and boat
launch

You mad yet? You should be. A
\$6. Million/ 6-month park just
for boaters? Now you must be
really mad.

It's almost as though Hoadley,
Kraft, and Golovich deliberately
wanted the large, \$1.7 million boat
launch first because they were
advised that they would "never
get their large boat launch if a
family park was developed first."

Gee, like they were thinking
a family park would "destroy"
forever a chance at a large boat
launch. Whose best interest
was served by this plan? Not the
Township's, not the people's. Not
you whose money is being used.

Who would suffer if we didn't
build the huge launch first? Who
had the most to gain by this road-
and-launch Phase 1 plan?

How about the person getting
paid a percentage of the total project?
How flawed is that thinking?
Pretty selfish if you ask me. All
the while using taxpayer monies.
"Get it now or we may never get
a boat launch" seems like their
thinking. Totally against your
wishes on the survey.

By a 1-vote margin on almost all
matters Hoadley, Kraft and Golov-
ich have pushed ahead, irresponsi-
bly, and will have spent over
\$1.3 MILLION of your property
tax dollars that were in a savings
account (they call it "Township
Funds", I call it "Your tax dollars")
on the purchase and building of
this large boat launch.

Family Park? Forget about it.

I am thinking about starting a
petition drive to rename the park

"BOAT LAUNCH PARK" because
in the end that is all we will have.

If you are a boater in the town-
ship you might be happy. But if
you wanted a family park first and
a boat launch in Phase 2, well, you
are out of luck.

You happy? I didn't think so.
Make your voice heard and join
me on Nov. 6th by voting for Bob
Jess, Julie Collard, and Warren
Nugent.

And like our popular supervisor,
Ron VanZee said, "Let's return
sanity to the township board."

Let's also give the park back to
the vast majority of township resi-
dents starting Nov. 6th and then
focus on a family park with family
amenities and not one exclusively
for boaters.

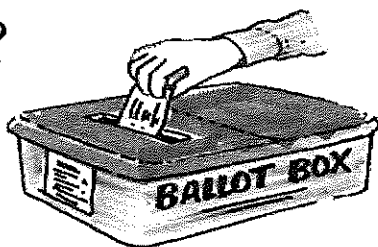
Ole Abe Lincoln would be proud
of you because Hoadley and
Golovich are not going to fool
us again!

Why Recall?

by LESLIE CUNNINGHAM,
Editor

The Hayes Township Board
of Trustees is about to drive the
taxpayers of this township over a
cliff, and deep into financial
ruin. The simple truth according
to Michigan law is that we voters
can attend meetings, present pe-
titions, ask for investigations, file
complaints, until the cows come
home, but our only recourse
for change is to recall those we
elected to the Township Board
because they have failed to rep-
resent us properly. The Sentinel
has investigated all the avenues
concerned citizens could take,

PAGE 8



and the answer always comes
back to the ballot box.

Marlene Golovich and Paul
Hoadley (Treasurer Kraft re-
signed Sept. 20th) are putting us
under a financial hardship from
which it will be painfully difficult,
if not impossible to recover if they
are allowed to continue in office.
We owe our elders, our children,
and ourselves better government

than we have in Hayes Township.
Let's use the power of one, each of
us has one vote, to change what
we can. Let's recall Golovich and
Hoadley and replace them with
public servants who will listen to
us. Vote on Nov. 6th for Julie Col-
lard for Treasurer, Warren Nugent
for Clerk and Bob Jess for Trustee.
Thank you.

Coffee talk

Continued from page 1

decided to run for Treasurer after
she saw what has been going on
in this Township. We could not
find a better replacement for
Robbin Kraft. Julie will carefully
check each invoice against the
checks written, make certain with
Warren that our bookkeeping ac-
counts are all clearly labeled, so
that any citizen can understand
what exactly is in that account.
She will keep the status of the
grants updated so we know at any
time how much money we have
spent and how much we still have.
Julie's smile lights up the room!

Les: I know! I've been asking how
much we have spent on the pro-
jects in each category for a couple
of years now and I still cannot get
a straight story. It is both frustrat-
ing and enraging to think that
we can't get totals in and totals
out, clearly labeled, and in plain

English. I trust both Julie Collard
and Warren Nugent to keep the
records clear. They will complete
a working team with Ron VanZee
and Matt Cunningham and Bob
Jess to generate some positive
energy and a spirit of community
that we haven't seen for quite in
Hayes.

Frank: Wow! With that team we
can fix and restore Camp Seagull
to a family park. And we can pay
attention to all the other things we
haven't been able to do because of
this fighting that's been going on
for 5 years now. We'll get a Board
that will listen to the people, get
everyone involved, stop playing
favorites, but most of all, govern
fairly. So vote for the future. Vote
for Warren Nugent for clerk, Julie
Collard for treasurer, and Bob Jess
for Trustee.



Hayes Township SENTINEL

Keeping Watch and Shining Light on the Politicians and Political News of Hayes Township
Published Monthly and Mailed Free to all Residences of Hayes Township, Charlevoix County

www.hayestownshipsentinel.com

FEBRUARY 2018

EDITORIAL FROM THE PUBLISHER

3 amigos appeal recall; Stall for time

We have learned that Trustees Hoadley, Kraft and Golovich have filed an appeal with Circuit Court Judge Joe Hayes asking Hayes to review the Charlevoix County Election Board's unanimous decision to approve recall language in a recent recall petition. Fourteen members of Hayes Township filed the petition, asking permission to circulate petitions and set an election date where the voters of Hayes Township would be able to vote yes or no on recalling and then replacing them as trustees.

The petitioners charged the 3 Amigos for failing to represent

the best interests and true will of the majority of the electors of Hayes Township.

The lack of transparency and fiscal responsibility/accountability they have exhibited in pushing for Phase One of Camp Seagull Park, as demonstrated in the complaint's documentation, is a large aspect of the complaint against these Board members.

The petitioners believe the \$1.4 million Phase 1 large boat launch is fiscally reckless, possibly getting the township in a financial bind AND it ranked in 7th place in a Township

wide survey conducted in 2013. Residents wanted bathrooms, a covered pavilion, swimming beach, a trailhead on the BC Road where the bike trail will pass and campsites, all ahead of a boat launch.

We adamantly believe these three Trustees have broken a bond with the majority of voters in the Township and broken a bond with the voter's collective wishes as expressed in the survey.

We believe the appeal will be denied and petitions will begin as soon as the 40-day appeal is exhausted.

We also believe the 1800 residents should make this important decision and not 3 trustees; after all it's the hard earned taxpayers' monies that pay the bills.

I worked for a newspaper company whose motto was "Give light and the people will find their own way." I believe the folks of Hayes Township, when allowed to vote, will find their own way and reject the 3 Amigos and send a loud and clear message to the Township: "Stop this \$1.4 million boat launch. It's too much and way over the top and it's not what we asked for!"

Let's not let them start cutting

the trees down and swinging the shovels before we can recall them. Get to the meetings.

This bickering has got to stop. The 3 Amigos may think their line in the sand is funny but they are digging their own grave. The real losers are the vast majority of residents in Hayes Township who spoke on the survey by putting a boat launch in 7th place in importance. Why is it now in 1st place and costing \$1.4 million????

Let's pray the recall is successful.

Let's drain the swamp.
And the sooner the better!

A letter from the Supervisor

Dear Township Taxpayers and Residents:

I watched for a long time as people were asked to donate to a one-time opportunity while secretly a different park plan was being formulated.

I agreed to run for Supervisor because I saw the Township residents being forced into an agreement that was totally contrary to what they conveyed to their elected officials and I truly thought I could bring reason into all the differences.

I must be a slow learner because at Wednesday night's special meeting I was forced to finally believe the old saying, "It is totally useless arguing with a habitual liar because they believe their

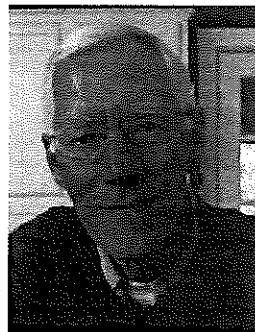
lies."

The truth is, there were NO points, that's right 0 points, scored on the acquisition grant for a boat launch. There is not one mention of it on the scoring sheet. In fact the complete opposite is true. There were over sixty (60) combined points for maintaining the natural aspects of the park. This is what people donated to. (See editors note below)

The grantors do not drive the shoreline boat parking and the size of the fishing pier. The grantors approved what was given them with the original Grant applications. The list goes on and on.

I listened again as the same untruths were once again forced on the public. I watched as plan number 23 was introduced know-

ing that the reason it has taken 23 plans is that never once did the 3 trustees care about what you had requested in your vision for the



Ron VanZee

park and your requests on your survey. Plan number 23 should have been plan number 2 behind

5 other higher priorities you have ask for; Restrooms, Campsites, Swimming Beach, Covered Pavilion, and Picnic Areas.

Once again, the engineer and three of your board members, came up with an idea and forced it on the public at a special, rescheduled, meeting that was not posted to include a decision on going forward with a \$1.5 million dollar project. They approved spending even more of your money to get there.

Last night should have been a starting point for finding a balance between what you asked for and what they proposed. Instead you are being forced to pay for their deceit.

So once again, I really did try to represent you.

I thought I could bring reason

into play, but now believe recall is the only answer and I ask you to support the committee that, hopefully, will shortly begin to circulate recall petitions.

Respectfully,
Ron VanZee
Supervisor

Editors Note: The engineer and the old board, including the 3 Amigos, Hoadley, Kraft and Golovich, have consistently held that we could not have gotten the Grant to buy the Park without a promise to build a boat launch, yet, the State granted 60 points for preservation of the Park habitat and ZERO points for a boat launch.

Special meeting reveals Malewicz trust issues, \$20K in revision costs

Jim Malewicz, of Performance Engineers, presented a revision drawing of Phase One, Camp Seagull, at a special Hayes Township Board meeting January 22. Malewicz pushed for action because of the short timeline to get bids from contractors and get trees cut by April 1, which is the deadline for destroying the Long Eared Bat habitat before they breed.

Malewicz also stated several times that the revision work

he was doing on the park was pro bono but then he revealed that he is, in fact, charging the Township for the work. His pay sheet shows a total of \$124,458.75 paid to date, but a balance of \$82,330.90 owing on Phase I. The \$20,000 the board added to his account last night will bring up to \$102,330.90. The total amount both paid and on account to date with Malewicz is \$226,789.65, if he uses the new \$20,000 allocation. Further Malewicz also admitted

that he had withheld the park revision work from Supervisor Ron Van Zee because of trust issues.

"I was worried that you would go to the Army Corps of Engineers and stop the wheels," Malewicz told VanZee. Yet it is still unclear which Board members did know about the work or contributed to it."

Clerk Marlene Golovich also attacked Supervisor Ron VanZee when he told the group that nothing would be decided

until their regular Board meeting, to be fair and give everyone time to digest the revision. She informed him "he can't set the rules."

"I don't want you to assume you can dictate this because you can't," Golovich declared.

Golovich demanded that the Board move forward to authorize the new plan immediately in spite of the missing cash flow analysis and independent audit, When Phase One is complete,

"People are going to applaud," Golovich proclaimed.

A motion for the Board to approve the park revision, approve the additional engineering costs of up to \$20K, and move forward with bids for the Phase One work was made and passed, with the predictable 2-3 vote.

Editor's note: The Sentinel will investigate this "secret plan" work further. Go to Hayestownshipsentinel.com to listen to the entire meeting.

No park contracts until financial report completed!

by JULIE COLLARD

The Monday January 8, Hayes Board was well-attended, with a crowd of almost 30 strong, speaking volumes about the increased community involvement in Hayes Township matters.

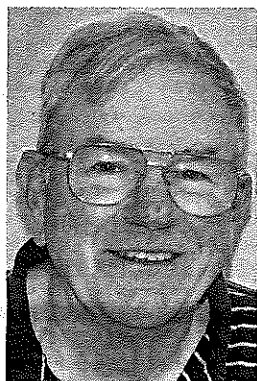
The morning before the meeting, the Charlevoix County Election Board, chaired by Probate Judge Valeria Snyder, approved Recall Petition Language. It has since been appealed and will be decided by Circuit Court Judge Roy Hayes.

At the Monday evening meeting the three named board members in the recall petition, Marlene Golovich, Paul Hoadley, and Robbin Kraft, were doing some backpedaling on previous motions that they had all voted down.

Golovich introduced a motion—a very watered-down version of Ron Van Zee's original motion requesting financial transparency, accountability, and timeline of both grant monies coming into the township and payouts (township funds) on the construction contracts of the proposed Phase 1 Camp Seagull development.

The new motion included an agreement for Golovich and VanZee to review all of the proposed spending and budget for Phase One and hiring an independent auditor to review Camp Seagull financial information and processes.

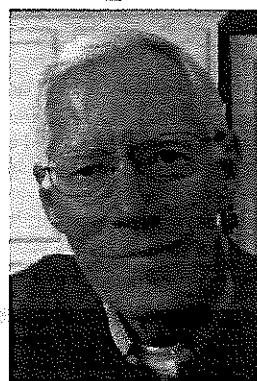
After changing some language of the motion to insist on an outside professional audit of the financial aspect of the plans, as well as the audit needing to be complete before any bids will be accepted, the motion was passed by all five board members, with a \$10,000 spending limit attached. Golovich was somewhat hesi-



Paul Hoadley



Matt Cunningham



Ron Van Zee

tant to agree to VanZee's modifications, concerned that the additions could be used as a "stall tactic" to delay getting bids for the Phase One construction.

On another note, Paul Hoadley spoke to the board about the MTA conference he attended, having listened to information regarding fraud within a township "under everybody's nose," and he asked the Board "who looks at the township bills."

VanZee responded, "The treasurer should be looking at every invoice that goes with a check." As the current Treasurer, this responsibility falls in Kraft's realm of statutory duties, however, she told the board she does not cross-check anything.

VanZee responded to this admission of nonfeasance by offering to perform the required check and balance function and review the Township warrants and invoices prior to presenting to the board.

The Trustees appointed two new Planning Commission Board members, Roy Griffith and Omar

Feliciano.

VanZee recommended Griffiths for the second time, and the previously hesitant board members reconsidered their stance and voted yes unanimously.

Doug Kuebler was also recommended by Ron VanZee for the second time, but was again voted down by the majority of the Board. Hoadley asked Kuebler if he would follow an ordinance he did not agree with, and Kuebler responded, "You go by what the ordinance says."

Golovich explained her no vote because Kuebler quit mid-term after being elected. "Doug was on the Planning Commission and on the Board of Trustees and quit mid-term and I just have a hard time supporting someone who just up and quits in the middle of something after people elected him and voted for him and showed confidence in him."

She did not address her own leaving the Park and Rec Committee and then rejoining this year, nor the fact that she quit the

FOIA position in the fall of 2016.

Kuebler responded to Golovich's comment. "The reason I resigned from the Township board is because the board, at the time I was on it, the board decided that they could do things with their property that John Q Public could not. I was on that board for 23 years, and this came down that the township board could have more privileges in zoning than John Q Public," Kuebler explained.

In other business, Supervisor VanZee met with the Township engineer earlier in the day to review a yet another revision of the Phase One plan. Engineer Jim Malewicz, citing the public outcry against the current plan, briefly presented a map of Camp Seagull that proposes to eliminate two of the previously planned parking lots in the park and re-route the road that was slated to run along the current beach area.

A special Board of Trustees meeting was scheduled for January 22, 2018 at 7pm to discuss this revision but was postponed due to

weather. It was re-scheduled for Wednesday, January 24th.

When public comments were opened at the end of the three hour meeting, Hayes Township citizen recommended we "put a for sale sign" in front of Camp Seagull. "We just can't afford it." Rebecca Berg suggested that the boat launch issue be put to a vote of the Hayes Township residents; this would show where the residents really stand on such a contentious issue.

A question was asked regarding the definitions of a large boat launch versus a small boat launch. Warren Nugent speculated that a large launch would be around 28-30 feet range, and a small launch would be 23 feet or smaller.

Malewicz, the lead engineer in the design and plans for the proposed boat launch, was unable to give the exact information, but defended the plan for a large launch.

Paul Zardus spoke to the group. "The first plan was significantly different than the current plan... all fundraising was based on a small boat launch, it showed the stone wall in the pictures—a misrepresentation of the plans...the cafeteria building was beautiful, eight thousand dollars was raised to renovate it, and it was demolished against the public's wishes."

It was a long evening but resulting in two newly appointed Planning Commission members, a revised motion requiring financial accounting of the Park before it can go forward, public input, and a plan to consider a modification to a controversial boat launch plan.

Hayes Township board members Recall Hearing

The public hearing on the language for the recall of Hayes Township Board members Marlene Golovich, Paul Hoadley, and Robbin Kraft was held on January 8, 2018. The hearing was to consider the clarity and factual basis of the recall language for the 3 members.

On December 20, 2017, a request was filed with the Charlevoix County Clerk in a recall effort on Golovich, Hoadley, and Kraft. Fourteen named Hayes Township individuals filed the motion. The main issue cited was the three Board members failing to represent the best interests and true will of the majority of the electors of Hayes Township. The

lack of transparency and fiscal responsibility/accountability for Phase One of Camp Seagull, as demonstrated in the complaint's accompanying documentation, is a large aspect of the complaint against these Board members.

Greg Luyt, the attorney for the recall group, shared information from the Michigan Constitution pertaining to recall languages as well as referencing a prior recall case that had been approved with very similar wording as the submitted request.

Golovich spoke to the Board and read a written statement that she had provided before the hearing. Her argument against the recall wording was that Ron VanZee's

motions were given to the board in written form and were different from the words he actually said.

Former Township trustee and supervisor Fred Parsons spoke up at the hearing. "There has been an extended period of time where I felt that the board no longer listened to the majority of people that were in attendance at the meetings. This reached a point where I just discontinued attending because my opinion wasn't worth the voice it took to give it...It was clear that the (new) board had an agenda, and it was different from what the public really wanted."

Jim McMahon spoke to the Election Board, and chose to

repeat the same rhetoric that he has been reciting for the past few months. He brought up the Sentinel, claiming it is a divisive publication that needs to be stopped. "I'd like to see it end. It's mean spirited he mumbled."

McMahon also mentioned what he thought may be a conflict of interest with a member of the Election Board's husband having attended Hayes Township meetings in the past and speaking his personal objection against Phase One of Camp Seagull.

The lead member of the Election Board, Probate Judge Valerie Snyder, addressed McMahon's statement, disputing his claims of conflict of interest. She said

that she has "no dog in the ring" and has never discussed Camp Seagull with her husband and has no opinion on it either way.

During the discussion, the Election Board observed that the language in VanZee's motions mirrored his actual words and that the request was both factual and had clarity. Snyder told the attendees of the hearing, "It is up to the voters to decide the truth."

A motion was made to approve the language in the recall petition, and it was unanimously approved. The 3 Amigos have appealed this decision to Circuit Court Judge Joe Hayes.

Kraft admits nonfeasance during Board of Trustee Meeting

by JULIE COLLARD

Trustee Paul Hoadley opened a can of worms regarding the township checks being cross-checked against the invoices, having attended the Michigan Township Association conference and learning about fraud within townships that happens "under everybody's nose," he explained. "Most of the fraud is picked up locally," Hoadley said.

The Hayes Township Treasurer Robbin Kraft admitted that she does not look at the outgoing checks. As the current Treasurer, this responsibility falls in Kraft's realm of responsibility, however, she told the board she does not currently crosscheck invoices/checks. Mondays are pretty full,



Robbin Kraft

she said. I have no time to even check my emails."

This blatant admission of nonfeasance from Kraft was met with confusion by the board members not aware of this failure on her

part to fulfill her appointed duties. Like a deer caught in the headlights, Kraft mumbled again that she "didn't have enough time on Monday's" to review the checks, and appeared baffled that this is something she should have been doing since taking office. VanZee addressed this erroneous situation.

"The treasurer should be looking at every invoice that goes with a check, VanZee said."

He agreed to review the Township checks and invoices each month, which unfortunately is happening because the elected Treasurer has no time and this has been going on for years. If the Treasurer is failing to crosscheck invoices, where is the Clerk in this process?

The Clerk has statutory responsibilities too. Golovich is supposed to be balancing with the Treasurer each month.

Hayes Township needs a full

audit of both finances and procedures before going any further with its Phase 1 Sea Gull Park plan.

NEWS FLASH

The Sentinel has been informed another group of Hayes Township citizens is so concerned the Three Amigos are pushing forward their \$1.4 million boat launch that they are considering putting the issue up to a vote of our residents.

Discussions are presently underway with officials who will review ballot language and assist the group in making sure all rules and state laws are followed.

When 3 trustees are pushing forward the largest project in township history it seems logical the voters are entitled to voice their yes or no. 1800 people reside in our township and 1000 usually go to the polls and vote. Let these 1,000 taxpayers decide and not the 3 Amigos, Hoadley, Kraft and Golovich.

Incidentally, in a township wide survey with a 20% or 315 responders, the boat launch ranked solidly in 7th place. The 3 Amigos raised it to first place.


This newspaper hopes the group is successful in taking this issue to the voters.

It is as simple as that!

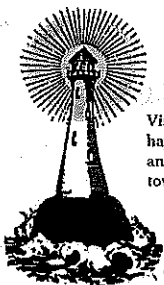
And if the 3 Amigos are successful in their attempt to push their large boat launch agenda to fruition and accept a contract for construction then this newspaper believes the recall will be that much easier!

TOWNSHIP OFFICIALS

TOWNSHIP SUPERVISOR, Ron VanZee	Email: supervisor@hayestownshipmi.gov
TREASURER, W. Robbin Kraft	Email: treasurer@hayestownshipmi.gov
CLERK, Marlene Golovich	Email: clerk@hayestownshipmi.gov
TRUSTEE, Paul Hoadley	Email: trustee1@hayestownshipmi.gov
TRUSTEE, Matt Cunningham	Email: trustee2@hayestownshipmi.gov
ZONING ADMINISTRATOR, Larry Sullivan	Email: zoning@hayestownshipmi.gov
ASSESSOR, Aileea Abney	Email: assessor@hayestownshipmi.gov



Frank Shepherd, Publisher
Leslie Cunningham, Editor
Published by: Hayes Township Sentinel
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HAYES TOWNSHIP SENTINEL

"Democracy Dies in Darkness"

Opinions

Shining Light on Political News



Frank Shepherd, Publisher
fshepherd.sentinel@hotmail.com

Leslie Cunningham, Editor
cunningham.sentinel@outlook.com

Golovich to Kuebler: "You're a smart guy but you quit!"

The flamethrowers came loaded for bear at the January 8th Board of Trustees Meeting and it didn't take long for them to scorch the crowd. When Supervisor VanZee asked the Board for the second time to approve his appointment of well-respected and long-time farmer and resident Doug Kuebler

to the Planning Commission, the 3 Amigos (Hoadley, Kraft and Golovich) voted an emphatic "No!"

This time to make matters worse, Clerk Golovich exploded.

"I vote no because he quit the township board mid-term..."

At the prior trustee meeting held in December Kuebler was also presented by VanZee for approval and was turned down by the same three Amigos. That time they wouldn't even give a reason for their negative votes. How disrespectful is that?

Tell me, how do you turn down a 3rd generation resident who has served this township for over 35 years in all sorts of positions... from trustee, to planning commission member, to Chairman of our Roads Committee and turn him down twice?

The gentleman is an institution of service to this township and one of our most popular. His mother used to clean the township hall for goodness sakes. His father served this township for over 24 years and like his father, Doug has an impeccable reputation.

I have never heard a mean or negative word about Doug Kuebler. His neighbors say he would help them if they were in trouble even before he would do his own chores.

This time when he was turned

down, Golovich pounced and shouted "You quit mid-term..."

Two gentlemen might have gone outside to settle this scuffle. Mr. Kuebler responded from the audience that he left the board early because he had philosophical and legal concerns about some of the previous boards course of actions.



Frankly Frank

by Frank Shepherd, Publisher

"The board decided they could do things with the zoning ordinances that John Q. Public could not do. The board was taking privileges that were not for the public"

Was the Golovich verdict, insinuating Kuebler was "quitter" an astonishing reaction? Yes. Was it uncalled for? Sure. Was it immature? Absolutely.

I believe her over-the-top reaction and no vote was a result of the Recall Hearing held that morning. The Election Commission, Chaired by Judge Valerie Snyder, voted unanimously to approve recall language directed at Hoadley, Kraft and Golovich and allow recall petitions to be circulated for signatures.

Fourteen members of Hayes Township had submitted the petition and since getting approval that morning, the petitioners are busy getting petitions printed and ready for circulation. However, it has been appealed.

The main issue cited at the hearing was that Hoadley, Kraft, and Golovich failed to represent the best interests and true will of the majority of the electorates of Hayes Township. The lack of transparency and fiscal accountability for Phase One of Camp Seagull is a large aspect of the complaints against these Board members.

And this writer believes the 3 Amigos rush to begin their Phase 1 large boat launch (\$1.4 million or more) is a direct result of their possible recall. Once underway it will be hard to stop but I believe nothing will stop recall, not even their "stall for time" appeal or the possible beginning of Phase 1.

If 222 signatures are gathered and approved by the Clerk, then an election will be held where the voters of Hayes will decide with a yes or no vote whether to kick Hoadley, Kraft and Golovich out of office and elect new trustees.

Golovich was probably frustrated by the morning's recall decision and lashed out at Kuebler that evening. Even her most ardent supporters seemed surprised.

Sounds like Mr. Kuebler will be a signature on the recall petition and this writer hopes he will, again, step forward to serve the Township. I for one will vote for him. And I suspect a large majority will also. That will put a smile on our Supervisor's face.

Doug Kuebler deserves vindication and another opportunity to serve this township in a responsible way. Most importantly he will be a team player supporting VanZee who garnered 98% of the vote in winning the Supervisor election in 2016.

Check out the Kuebler interview on page 3 of this edition. It shows what a classy guy Doug Kuebler and in my opinion (and Doug's) all the recent squabbles and in-

fighting will end if the recall is successful.

Frankly speaking, a successful recall of the 3 Amigos is as inevitable as apple blossoms in the spring. Even though they have appealed I believe it will be denied and it will be a fast track to 222 signatures needed to get the recall on the ballot. (Like a snowball running downhill!)

Or as President Trump puts it, "It's time to drain the swamp!"

If you want to circulate a recall petition, assuming any appeal is denied, contact us now. Email me or Leslie Cunningham, our editor at fshepherd.sentinel@hotmail.com or cunningham.sentinel@outlook.com

Planning Commission members punished by Township Clerk

by JULIE COLLARD

Planning Commission board members did not receive their checks from the township for last month. Clerk Marlene Golovich, who had been dismissed as their recording secretary, failed to inform any of the board members that it was necessary to submit their sign-in sheet from the December meeting to get paid.

Chairman Bob Jess e-mailed Golovich the sign in sheet as soon as he found out this was the reason behind the Commission being excluded from the payroll. Ed Bejos commented on the lack of "checks and balances" with the Township finances. This was an interesting and unfortunate welcome for new Board members Roy Griffiths and Omar Feliciano.

Chair Bob Jess mentioned the need to get a consulting budget

in place so that the Commission can complete a general budget for the Planning Commission. He asked Matt Cunningham to bring a full copy of the detailed version of previous year's budgets to the next meeting so they could work from those.

The Commission members agreed that the savings from writing their own minutes should cover the cost of having a planner attend their meetings. Feliciano commented on the budget information: "Nothing should be a secret."

Zoning Administrator Larry Sullivan informed the board that they should expect three public hearings to come to them in the

near future—one on a storage rental proposal, one on an event barn venue, and one on 10,000lbs. of fireworks being stored in a shipping container on a property off Pincherry road.



Marlene Golovich

The firework proposal involves the AFTE (Association of Firearm and Toolmark Examiners) on the Federal Level and he is working to ensure that the property owner abides by their requirements.

The next Planning Commission meeting is scheduled for Tuesday, February 20th. Now that they are aware of its importance, the Commission Board will be sure to turn their sign-in sheet right away.



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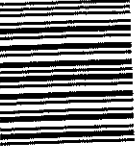
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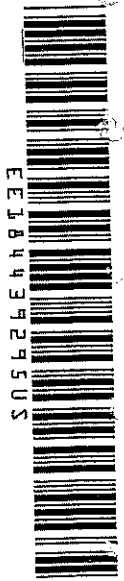


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Hayes Township SENTINEL

And the Charlevoix County
Republicans endorse these
candidates for the Hayes
Township Board of Trustess



Bob Jess, 46



Julie Collard, 42



Warren Nugent, 65

- Running for Trustee
- Married to ZeZe and raising a family in Hayes Township
- Current Chair of the Hayes Township Planning Commission
- Serves on Hayes Park and Rec Committee
- Holds a Master of Architecture, with
- Running for Treasurer
- Moved to Hayes Township in 2013 with her husband Jeff and three children
- Taught Pre-kindergarten and Kindergarten for 5 years
- Summer Safari Program Director at Detroit Zoo for 13 years
- Director of Pro-
- Running for Clerk
- Current Parks and Rec Vice-Chair
- UPS Lansing Manager, Air Operations and Engineering, Retired 2009
- Master of Arts, Industrial Management, Central Michigan University
- Lives on Lake Char-

★ Color in the bubble  on Nov. 6th!

★ Hayes Twp. needs a change of leadership

★ It's time the voters took back control of the township from the 3 who vote against the majority of residents.

Check us out at Hayestownshipsentinel.com

Filed for by the Hayes Township Sentinel • P.O. Box 386, Charlevoix, MI 49720

July 2018

- 13 -

★★★ A NEW DIRECTION ★★★

Vote Nov. 6th - Hayes Township Election

Stop the squabbling over the park!



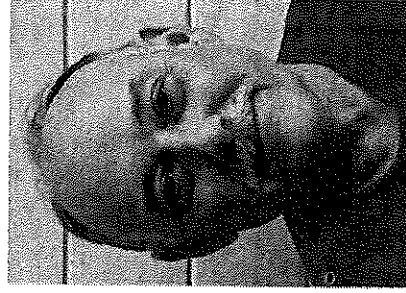
BOB JESS
for Trustee

As Chairman of the Planning Commission, I am in favor of total transparency in all township matters. As your trustee, I will support putting minutes and meeting packets on our township website BEFORE each monthly meeting. We are in this together and I pledge to you I will listen to the wishes of the majority.



JULIE COLLARD
for Treasurer

I will work hard to develop Camp Sea-Gull Park into a place where families can spend time together. A place where our children can play ball, swim, camp and hike. Children will also be able to come to the park to learn about our township history and experience nature. Camp Sea-Gull Park should be for families!



WARREN NUGENT
for Clerk

As clerk I will work hard making sure all residents understand the financials of the township. I believe it vital for everyone to understand where their tax monies are spent. In addition, I will present our financials at monthly meetings so they are clear and transparent. I will post the financials on our website for all to see.

The Republican Party of Charlevoix County nominated the above candidates at their executive committee meeting and endorse each of them in the November election. In addition, The Hayes Township Sentinel endorses and supports them. Bob Jess, Julie Collard and Warren Nugent truly represent a new direction and all three are dedicated in following the wishes of a majority of the residents of Hayes Township.

August 2018

Supervisor Ron VanZee Says...

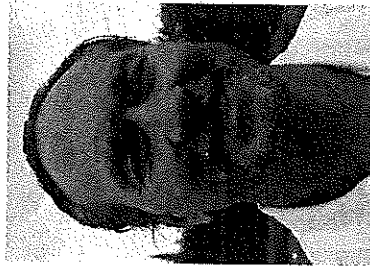


Hayes Township Supervisor
Ron VanZee

"You elected me your Hayes Township Supervisor in November of 2016 with almost 900 votes. Knowing that my agenda was for a small boat launch while preserving the natural aspects of the park I now need your help. A citizens group collected over 400 signatures to put recalling Trustee Paul Hoadley, Clerk Marlene Golovich and Treasurer Robin Kraft on the Nov. 6th ballot. Please vote on Nov. 6th for Bob Jess, Julie Collard and Warren Nugent. I have been frustrated these past two years and have been out-voted, usually by a 3 to 2 margin on important issues such as the \$1.6 million "boat launch" that will only serve a small group in our township. Sadly, the cost continues to escalate with more money being asked by the township engineer, the contractor and his sub-contractors. After this boat launch the total cost of the park has grown to over \$6. Million. Please vote for Jess, Collard and Nugent and bring sanity back to the Board of Trustees."

Vote Nov. 6th for these qualified candidates

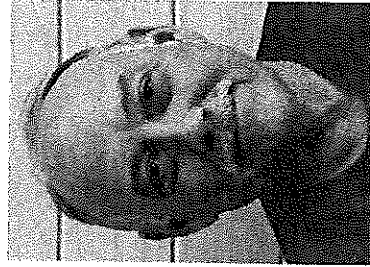
The Republican Party of Charlevoix County nominated Bob Jess, Julie Collard and Warren Nugent at their Executive meeting and endorses each of them in the November 6th election. In addition, The Hayes Township Sentinel endorses them. These three truly represent a new direction and all three are dedicated to following the wishes of a majority of residents in Hayes Township. And most importantly, they will listen to you AND answer your questions. Something that has been missing lately.



BOB JESS
for Trustee



JULIE COLLARD
for Treasurer



WARREN NUGENT
for Clerk

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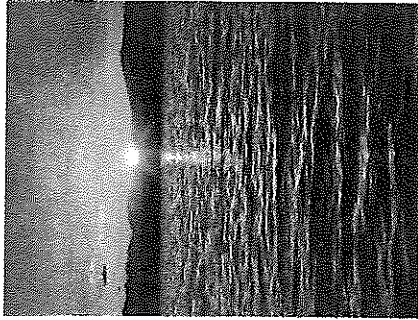
A NEW BEGINNING

Let the sun rise again on

Hayes Township

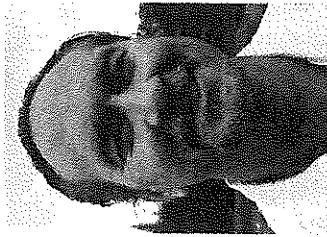
Vote on Nov. 6th for

★ Honesty ★ Openness ★ Transparency ★ Healing



The Republican Party of Charlevoix County nominated these 3 candidates for the offices up for election in Hayes Township.

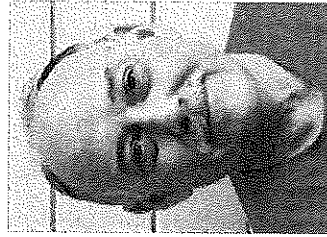
Michigan recall election laws require them to run as "no party affiliation" on the ballot but you should know Collard, Nugent, and Jess are members in good standing in our party and we are most pleased to endorse them.



BOB JESS
for Trustee



JULIE COLLARD
for Treasurer



WARREN NUGENT
for Clerk

Our popular Supervisor, Ron VanZee says: "I hope you will join me in helping to heal our community by voting for Julie Collard, Warren Nugent and Bob Jess on Nov. 6th. I promise it will stop the insanity going on with the park. You also deserve more critical thinking trustees and this is your chance to use your vote wisely. They will represent You The People and not special interest groups."

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November 1, 2018

The Hayes Township Sentinel
Frank Shepherd
Leslie Cunningham
PO Box 581
Charlevoix, MI 49720

Re: *Royal v. Hayes Township Sentinel, et al.*
Campaign Finance Complaint
No. 2018-09-88-21

Dear Mr. Shepherd and Ms. Cunningham:

The Department of State (Department) received a formal complaint filed by John Royal against you, alleging that you and the Hayes Township Sentinel violated the Michigan Campaign Finance Act (MCFA or Act), 1976 PA 388, MCL 169.201 *et seq.* The investigation and resolution of this complaint is governed by section 15 of the Act and the corresponding administrative rules, R 169.51 *et seq.*

The complaint alleges that the Hayes Township Sentinel has published campaign advertisements which expressly advocate for the election of certain candidates and have failed to register as a committee. A copy of the complaint and supporting documentation is enclosed with this letter.

A committee is required to file its statement of organization within 10 days of its formation, and campaign statements listing a committee's contributions and expenditures in accordance with the schedules set forth in the Act. MCL 169.224; 169.233. The MCFA requires a committee that receives or expends more than \$1,000 during any election to file campaign finance reports in compliance with the Act. MCL 169.233(6). Failure to timely file any of these statements may result in the assessment of late filing fees, or if the statement or organization or two or more campaign statements remain unfiled for more than 30 days, prosecution for a misdemeanor offense. MCL 169.224(1); 169.233(7)-(8).

For purpose of the Act's registration requirement, the words "contribution" and "expenditure" are defined, in pertinent part, to include anything of ascertainable monetary value that is made for the purpose of influencing or to assist the nomination or election of a candidate. MCL 169.204(1); 169.206(1). A communication is not treated as an expenditure unless it "support[s] or oppose[s] a . . . candidate by name or clear inference [,]" or unless it contains "express words of advocacy of election or defeat, such as 'vote for,' 'elect,' 'support,' 'cast your ballot for,' 'Smith for governor,' 'vote against,' 'defeat,' or reject.'" MCL 169.206(2)(b)(j). Further, "[i]n-

kind contributions or expenditures must be listed at fair market value and reported as both contributions and expenditures.” MCL 169.226(1)(b).

The purpose of this letter is to inform you of the Department’s examination of these matters and your right to respond to the allegations before the Department proceeds further. It is important to understand that the Department is neither making this complaint nor accepting the allegations as true.

If you wish to file a written response to this complaint, you are required to do so within 15 business days of the date of this letter. Your response may include any written statement or additional documentary evidence you wish to submit. Should you elect to file a response, please address all the allegations in the complaint and submit any evidence you feel necessary to rebut the allegations.

All materials must be sent to the Department of State, Bureau of Elections, Richard H. Austin Building, 1st Floor, 430 West Allegan Street, Lansing, Michigan 48918. If you fail to submit a response, the Department will render a decision based on the evidence furnished by the complainant.

A copy of your answer will be provided to Mr. Royal, who will have an opportunity to submit a rebuttal statement to the Department. After reviewing all of the statements and materials provided by the parties, the Department will determine whether “there may be reason to believe that a violation of [the MCFA] has occurred [.]” MCL 169.215(10). Note that the Department’s enforcement powers include the possibility of entering a conciliation agreement, conducting an administrative hearing, or referring this matter to the Attorney General for enforcement of the criminal penalties provided in the Act.

If you have any questions, please do not hesitate to contact the Bureau of Elections.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam Fracassi", with a stylized flourish at the end.

Adam Fracassi
Bureau of Elections
Michigan Department of State

c: John Royal

Fracassi, Adam (MDOS)

From: Eric Doster <eric@ericdoster.com>
Sent: Thursday, November 15, 2018 11:00 AM
To: Fracassi, Adam (MDOS)
Cc: Frank H. Shepherd
Subject: RE: Royal v. Hayes Township Sentinel, et al; Campaign Finance Complaint No. 2018-09-88-21; Request For Extension To Submit Response

Thanks, Adam! I guess I need to brush up on my date calculations!

Eric E. Doster
Attorney
Doster Law Offices, PLLC
2145 Commons Parkway
Okemos, MI 48864
Phone: 517.977.0147 (Direct)
eric@ericdoster.com
www.ericdoster.com

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From: Fracassi, Adam (MDOS) <FracassiA@michigan.gov>
Sent: Thursday, November 15, 2018 10:55 AM
To: Eric Doster <eric@ericdoster.com>
Cc: Frank H. Shepherd <frank.shepherd@gmail.com>
Subject: RE: Royal v. Hayes Township Sentinel, et al; Campaign Finance Complaint No. 2018-09-88-21; Request For Extension To Submit Response

Good morning, Eric –

The Department acknowledges your request for an extension of time to file an answer to the campaign finance complaint filed by John Royal against the Hayes Township Sentinel, et al. The Department understands that additional time is needed due to adequately review the complaint and corresponding documents attached. The Department therefore finds there is good cause to grant a 15-business day extension pursuant to MCL 169.215(5). Please note the original deadline for a response was November 28, 2018, and the new deadline is December 19, 2018.

If you have any questions, please do not hesitate to contact me.

Thank you,

Adam Fracassi

Election Law Specialist
Bureau of Elections
Michigan Department of State
430 West Allegan Street
Lansing, Michigan 48918
(517) 373-2540

From: Eric Doster <eric@ericdoster.com>
Sent: Wednesday, November 14, 2018 5:04 PM
To: Fracassi, Adam (MDOS) <FracassiA@michigan.gov>
Cc: Frank H. Shepherd <frank.shepherd@gmail.com>
Subject: Royal v. Hayes Township Sentinel, et al; Campaign Finance Complaint No. 2018-09-88-21; Request For Extension To Submit Response

Mr. Fracassi:

I was just retained to represent the Respondents in the above-referenced matter. In fact, I just received the Complaint and its attachments earlier today. If my calculations are correct (taking into consideration that your office is closed on November 22 and 23), the Response is due Monday, November 26, 2018; however, we respectfully request a 10 business day extension until Monday, December 10, 2018 in order to allow an adequate opportunity to review the necessary materials and prepare the Response.

Your positive consideration of this request would be appreciated. EED

Eric E. Doster
Attorney
Doster Law Offices, PLLC
2145 Commons Parkway
Okemos, MI 48864
Phone: 517.977.0147 (Direct)
eric@ericdoster.com
www.ericdoster.com

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www.ericdoster.com

December 18, 2018

Adam Fracassi
Bureau of Elections
Michigan Department of State
430 W. Allegan, First Floor
Lansing, MI 48918

By Personal Delivery

***Re: Royal v. Hayes Township Sentinel, et al.; Campaign Finance Complaint No. 2018-09-88-21;
Response to Campaign Finance Complaint (the "Complaint") Filed by John Royal dated October 23,
2018***

Dear Mr. Fracassi:

This office represents the Hayes Township Sentinel, Frank Shepherd (Publisher), and Leslie Cunningham (Editor) (collectively, the "Respondents") in the above-referenced matter. We have received your letter dated November 1, 2018, which contained the Complaint. As your November 1, 2018 letter indicates, the Complaint alleges that the Hayes Township Sentinel has published campaign advertisements which expressly advocate for the election of certain candidates and has failed to register as a committee under the Michigan Campaign Finance Act (the "MCFA"). For the following reasons, the Complaint must be dismissed.

I. THE HAYES TOWNSHIP SENTINEL IS A "NEWSPAPER, MAGAZINE, OR OTHER PERIODICAL OR PUBLICATION"

There can be no dispute that the Hayes Township Sentinel is a "newspaper, magazine, or other periodical or publication" for the purposes of Section 6(2)(d) of the MCFA.¹ As the Complainant himself admits, Respondent Frank Shepherd is the "Publisher" and Respondent Leslie Cunningham is the "Editor" of the Hayes Township Sentinel.² The Complaint's admission on this point is consistent with the facts:

¹ MCL 169.206(2)(d).

² See Complaint, Section 2.

1. Frank Shepherd is, first and foremost, a newspaper publisher. From 1969 to 1981, he ran the Macomb Daily and the Royal Oak Tribune before selling the interests in these and other newspapers in 1981. Thereafter, in 1997, he purchased these same two newspapers along with The Oakland Press. He operated these three newspapers until 2004 when he sold his company, 21st Century Newspapers, to The Journal Register Company of New Haven, Connecticut.
2. In November 2017, Frank Shepherd and Leslie Cunningham published the first edition of the Hayes Township Sentinel, and have published this newspaper each month thereafter. As each edition of the Hayes Township Sentinel states:

“Hayes Township SENTINEL

Keeping Watch and Shining Light on the Politicians and Political News of Hayes Township
Published Monthly and Mailed Free to all Residents of Hayes Township, Charlevoix County”

3. The Hayes Township Sentinel hired a reporter, who also worked for the local weekly newspaper, the Charlevoix Courier. This reporter covered Hayes Township meetings, recorded these meetings, posted Hayes Township meeting agendas, and posted news stories on the Hayes Township Sentinel Facebook page and website, www.HayesTownshipSentinel.com.
4. For your reference, each monthly publication of the Hayes Township Sentinel has or will be personally delivered to your office. As you will notice, the news stories, tributes, and editorials focus on Hayes Township political news and how Hayes Township conducts the people’s business. As publisher Frank Shepherd stated in the first edition of the Hayes Township Sentinel:

“You are reading the first edition of The Hayes Township Sentinel, a newspaper dedicated to transparency in our township government. It will be published monthly and mailed free to all residents of Hayes Township. Our mission is to cover, document, and report all the political news in the Township that affects you, making sure you have all information you need to make intelligent and informed decisions.”

Moreover, the mere physical appearance of the Hayes Township Sentinel illustrates that the Hayes Township Sentinel is a newspaper. If it looks like a newspaper, reads like a newspaper, then it must be a newspaper!³

5. Although not even alleged in the Complaint, it must be emphasized that Respondent Frank Shepherd and Respondent Leslie Cunningham are not candidates, agents of a candidate or a candidate committee, or agents of any committee under the MCFA.

Accordingly, there can be no dispute that the Hayes Township Sentinel is a “newspaper, magazine, or other periodical or publication” for the purposes of the MCFA.

II. THE MEDIA EXEMPTION UNDER THE CAMPAIGN FINANCE LAWS

The MCFA applies only where an activity or disbursement falls within the definition of either a “contribution” or “expenditure” set forth in the MCFA.⁴ According to Section 6(2)(d) of the MCFA,⁵ an “expenditure” does not include activities in connection with the so-called “media exemption”:

“(d) An expenditure⁶ by a broadcasting station, newspaper, magazine, or other periodical or publication for a news story, commentary, or editorial in support of or opposition to a candidate for elective office or a ballot question in the regular course of publication or broadcasting.”

Unfortunately, there are no rulings under the MCFA with respect to the so-called “media exemption”⁷; however, the MCFA parallels the Federal Election Campaign Act.⁸ Consequently, in determining the applicability of the MCFA, rulings and regulations by the Federal Election Commission under the analogous provisions of the Federal Election Campaign Act⁹ are often utilized. According to the Michigan Department of State:¹⁰

“While rulings of the FEC are not dispositive of questions posed under Michigan law, they do constitute guidance with respect to comparable questions presented in Michigan.”

³ As recognized by the Federal Election Commission, where an entity covers a news event in much the same way as a newspaper, it is a press entity. See Federal Election Commission Advisory Opinion 1996-16 (Bloomberg) dated May 23, 1996.

⁴ See Interpretative Statement issued to Eric E. Doster dated May 30, 2003; Interpretative Statement issued to Eric E. Doster dated March 26, 2010; and Interpretative Statement issued to Eric E. Doster dated November 1, 2011.

⁵ MCL 169.206(2)(d).

⁶ By use of the term “expenditure”, a press entity relying upon the “media exemption” may expressly advocate for or against a candidate without triggering the application of the MCFA.

⁷ For the purposes of this Response, the terms “media exemption” and “press exemption” will be used interchangeably.

⁸ Interpretative Statement issued to Kathleen Boyle dated June 15, 2001.

⁹ 52 U.S.C. § 30101, *et seq.*

¹⁰ Interpretative Statement issued to Gregg Nominelli dated June 11, 1999.

The Federal Election Campaign Act contains a “media exemption” similar to the “media exemption” found in the MCFA.¹¹ 11 CFR 100.132 of the Federal campaign finance regulations provides in pertinent part:

“Any cost incurred in covering or carrying a news story, commentary, or editorial by any broadcasting station (including a cable television operator, programmer or producer), Web site, newspaper, magazine, or other periodical publication, including any Internet or electronic publication, is not an expenditure....”

The Federal Election Commission has interpreted the “media exemption” broadly, consistent with Congress’s admonition that the Federal Election Campaign Act was not intended “to limit or burden in any way the first amendment freedom of the press.”¹² For instance, although 52 U.S.C. § 30101(9)(B)(i) speaks only of a “news story, commentary, or editorial,” the Federal Election Commission’s regulations have extended the protection to any “cost incurred in covering or carrying” exempt material.¹³

In Advisory Opinion 2003-34 (Viacom) dated December 19, 2003, the Federal Election Commission summarized the applicability of the press exemption as follows:

“Several factors must be present to conclude that the proposed activity falls within the press exemption of 2 U.S.C. 431(9)(B)(i) and 434(f)(3)(B)(i). First, the entity engaging in the activity must be a press entity as described by the Act and Commission regulations. See Advisory Opinions 2000-13, 1998-17, 1996-48, 1996-41, 1996-16 and advisory opinions cited therein. Furthermore, an application of the press exemption depends upon the two-part framework presented in *Reader’s Digest Association v. FEC*, 509 F. Supp. 1210, 1215 (S.D.N.Y.1981): (1) Whether the press entity is owned or controlled by a political party, political committee, or candidate; and (2) Whether the press entity is acting as a press entity in conducting the activity at issue (i.e., whether the entity is acting in its “legitimate press function”). See also *FEC v. Phillips Publishing*, 517 F.Supp.1308, 1312-1313 (D.D.C. 1981); Advisory Opinions 2000-13, 1996-48, and 1982-44.”

Significantly, the courts hold that a press entity is entitled to rely upon the media exemption without regard to the medium of the publication. In *Reader’s Digest Ass’n v FEC*,¹⁴ the Federal Election Commission issued a subpoena regarding a videotape distributed by a magazine company. However, the court and the Federal Election Commission determined that the videotape was within “Reader’s Digest legitimate press function.” In *Federal Election Commission v Phillips Publishing, Inc.*,¹⁵ the Federal Election Commission

¹¹ See 52 U.S.C. § 30101(9)(B)(i).

¹² H.R. Rep. No. 93-1239, 93rd Cong., 2d Sess., at 4.

¹³ 11 CFR 100.132.

¹⁴ 509 F.Supp. 1210 (S.D.N.Y. 1981).

¹⁵ 517 F.Supp. 1308 (D.D.C. 1981).

attempted to enforce a subpoena regarding a solicitation by the publisher of a newsletter. Again, the court found that the solicitation was within the publisher's legitimate press function.¹⁶

III. THE MEDIA EXEMPTION UNDER THE MCFA REQUIRES THE DISMISSAL OF THE COMPLAINT

In the present situation, the Complaint references two activities undertaken by the Hayes Township Sentinel as constituting "expenditures" under the MCFA:

1. The dissemination of news, opinion, commentary, and editorials in the monthly publications of the Hayes Township Sentinel; and
2. The promotion of the news, opinion, commentary, and editorials by the Hayes Township Sentinel in certain paid advertisements in the Charlevoix Community Shopper.

Both of these activities are exempt activities pursuant to Section 6(2)(d) of the MCFA:

1. The Hayes Township Sentinel is a "newspaper, magazine, or other periodical or publication" under Section 6(2)(d) of the MCFA. As indicated earlier in this Response, the Hayes Township Sentinel is a monthly publication covering the news of Hayes Township. The Hayes Township Sentinel is a press entity for the purposes of the so-called "press" or "media" exemption under the campaign finance laws.
2. The news, opinion, commentary, and editorials set forth in the monthly publication of the Hayes Township Sentinel were conducted in the regular course of publication.
3. The news, opinion, commentary, and editorials paid for by the Hayes Township Sentinel in the Charlevoix Community Shopper advertisements were activities taken by the Hayes Township Sentinel acting in its "legitimate press function" by promoting its editorial views to the citizens of Hayes Township.¹⁷ As indicated by the Reader's Digest and Phillips Publishing cases referenced earlier in this Response, the Hayes Township Sentinel is entitled to rely upon the media exemption without regard to the medium of the publication.

¹⁶ Id.

¹⁷ Assuming for the sake of argument that the Michigan Department of State finds that the paid advertisements in the Charlevoix Community Shopper were not a "legitimate press function" of the Hayes Township Sentinel, then the Complaint incorrectly indicates that the Hayes Township Sentinel is a "committee" under the MCFA. In this regard, if the press or media exemption is inapplicable, then the advertisements in the Charlevoix Community Shopper constitute independent expenditures under the MCFA. MCL 169.254(4) indicates that the Hayes Township Sentinel, as a Michigan nonprofit corporation, is not required to register and report as a committee, but must instead file an independent expenditure report pursuant to MCL 169.251.

Accordingly, since the activities referenced in the Complaint are the legitimate press functions of a press entity, Section 6(2)(d) of the MCFA exempts such activities from the coverage of the MCFA. The Hayes Township Sentinel, a press entity, was engaging in a legitimate press function - editorializing - when it published both the monthly publications of the Hayes Township Sentinel and the news, opinion, commentary, and editorials in the Charlevoix Community Shopper advertisements. These activities are exempt from the MCFA pursuant to Section 6(2)(d), and are furthermore exempt from the MCFA for sound public policy and constitutional reasons.

For the foregoing reasons, the Complaint must be dismissed.

Thank you for your consideration of our comments in this matter. If you have any questions or require additional information, please contact the undersigned.

Sincerely,

DOSTER LAW OFFICES, PLLC

A handwritten signature in black ink, appearing to read "Eric Doster", with a stylized, flowing script.

Eric Doster

ED/kas

Enclosures



STATE OF MICHIGAN
JOCELYN BENSON, SECRETARY OF STATE
DEPARTMENT OF STATE
LANSING

January 2, 2019

John F. Royal
P.O. Box 393
Boyne City, Michigan 49712

Dear Mr. Royal:

The Department of State received a response to the complaint you filed against The Hayes Township Sentinel, Frank Shepherd, and Leslie Cunningham, which concerns an alleged violation of the Michigan Campaign Finance Act (MCFA), 1976 P.A. 388, MCL 169.201 *et seq.* A copy of the response is provided as an enclosure with this letter.

If you elect to file a rebuttal statement, you are required to send it within 10 business days of the date of this letter to the Bureau of Elections, Richard H. Austin Building, 1st Floor, 430 West Allegan Street, Lansing, Michigan 48918.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam Fracassi".

Adam Fracassi
Bureau of Elections
Michigan Department of State

c: Eric Doster, Counsel for Respondents, via Email

Fracassi, Adam (MDOS)

From: Fracassi, Adam (MDOS)
Sent: Thursday, January 10, 2019 11:25 AM
To: 'jfroyal2000@gmail.com'
Subject: Royal v. Hayes Township - Extension Request

Mr. Royal,

The Department acknowledges your request for an extension of time to file a rebuttal in your campaign finance complaint filed against The Hayes Township Sentinel, et al. The Department understands that additional time is needed due to the fact that you did not receive the request for a rebuttal until 5 days after the letter is dated. The Department therefore finds there is good cause to grant a 10-business day extension pursuant to MCL 169.215(5). Your new deadline to submit a rebuttal statement is now January 31, 2019. You may submit the rebuttal to me by mail or email.

Let me know if you have any questions.

Adam Fracassi
Election Law Specialist
Bureau of Elections
Michigan Department of State
430 West Allegan Street
Lansing, Michigan 48918
(517) 335-3234

LAW OFFICES

JOHN F. ROYAL

P.O. Box 393

Boyne City, Michigan 49712-0393

(313) 962-3738

Email: jfroyal2000@gmail.com

RECEIVED
2019 FEB -1 PM 2:06
CLERK OF COURT SEAL

January 30, 2019

Adam Fracassi
Bureau of Elections
Michigan Department of State
430 W. Allegan, First Floor
Lansing, MI 48918

By email to: FracassiA@michigan.gov
And by U.S. First Class Express Mail

Re: Royal v Hayes Township Sentinel, et al; Campaign Finance Complaint
No. 2018-09-88-21.

Petitioner's Reply Memorandum to Respondents' Response.

Dear Mr. Fracassi:

This is my Reply Memorandum to the Response filed by Attorney Eric Doster on behalf of the Hayes Township Sentinel, Frank Shepherd and Leslie Cunningham.

**I. THE HAYES TOWNSHIP SENTINEL IS NOT A
NEWSPAPER; IT IS A PARTISAN TABLOID CAMPAIGN
PUBLICATION.**

A. The Respondents correctly point out that “newspapers” are treated differently than campaign publications under the Michigan Campaign Finance Act. (MCFA). MCL 169.206(2)(d). However, the Hayes Township Sentinel is not a “newspaper” by any reasonable definition.

Under Michigan's Revised Judicature Act, a newspaper is defined as follows:

MCL 600.1950 Newspaper; definition.

(1) The term “newspaper” is limited to a newspaper published in the

English language for the dissemination of local or transmitted news and intelligence of a general character or for the dissemination of legal news, which has a bona fide list of paying subscribers or has been published at not less than weekly intervals in the same community without interruption for at least 2 years, and has been established, published, and circulated at not less than weekly intervals without interruption for at least 1 year in the county where the court is situated.

The Respondents have done all of us a favor by attaching to their Response every single copy of the Sentinel that has been distributed from November, 2017, through October, 2018, except the issue dated September, 2018, which was attached to the Petitioner's Complaint (Note: there apparently was no issue dated March, 2018). Review of these issues demonstrates that the Sentinel does not qualify as a "newspaper", but is a partisan tabloid campaign publication.

Applying the above definition, the Sentinel has never disseminated "local or transmitted news and intelligence of a general character...." From first issue to last, all it has done is attack and call for the recall of three members of the Hayes Township Board of Trustees (Marlene Golovich, W. Robbin Kraft, and Paul Hoadley), and call for the election of Warren Nugent, Julie Collard, and Bob Jess to take their place. The three incumbents are continuously berated for supposedly engaging in planning and financial mismanagement in the process of converting a former summer camp into a Hayes Township Park. (The purpose of the new Park is to provide access to Lake Charlevoix to all Township residents (indeed, to the general public), including those who do not own lakefront property).

There is not a single non-partisan article about the disputed issues or the recall campaign in any copy of The Sentinel. No letters or columns disagreeing with Frank Shepherd and Leslie Cunningham's partisan diatribes have been printed in any issue. Every issue has been filled with false, slanderous allegations; fabricated propaganda; and distorted half-truths. No rebuttal has ever been allowed.

Further, there has been no pretense of providing "news or intelligence of a general character" about Hayes Township, as required by the statutory definition.

In addition, the Sentinel has no paid subscribers, but is mailed free of charge to every resident in the Township, at the expense of the Sentinel's secret financial backers. It has been published monthly, instead of at the "not less than weekly" intervals required of a real newspaper. And it has not been published for two years, as required by statute.

Further proof that the Sentinel is not a "newspaper" is established by the fact that publication ceased after the November 6, 2018 election, for a period of three months. Then, in the last week of January, 2019, another issue was distributed that is attached hereto, and which provides important information in support of the Complaint. The front page article entitled "We're back – and Ready to Roll," says that "our last printed newspaper we mailed to your home just before the November 6th election...." It goes on to state that each issue of the Sentinel costs \$800 to write, layout, typeset, print, and mail. And it states: "So far we have *quietly* raised \$6,000...." (emphasis added). The article does not include the identification of the secret financial backers of this partisan publication who "quietly" contributed \$6,000—which is just the information that the voters of Hayes Township had a right to have, pursuant to the Campaign Finance Act, before deciding how much credibility to attach to the scurrilous accusations that have filled The Sentinel.

If The Sentinel was a real newspaper, and not a campaign publication, it would not have suspended publication for the three months after the November 6, 2018 election. Indeed, it would have published a regular issue, reporting on the results of the election, for the benefit of Township residents. But this information was not disseminated until the late January, 2019 edition, three months later. Only in the pages of George Orwell's novel 1984, would a partisan publication such as The Hayes Township Sentinel qualify to be called a "newspaper."

The Respondents' further claim that because Frank Shepherd used to publish real newspapers, then anything he publishes today should be considered a "newspaper." But calling oneself a "publisher" or an "editor" of a partisan campaign publication does not make that publication a "newspaper." Just because they call it a "newspaper" does not make it a bona fide newspaper.

The Respondents claim that because they hired someone they wish to call a “reporter”, then articles written by this person must be considered news article. But this mysterious, unidentified person did not ever write an objective, non-partisan news article for publication in The Sentinel, because no such objective, non-partisan news articles ever appeared in any issue of The Sentinel, and the Respondents’ Response does not identify any such article.

The Hayes Township Sentinel does not qualify as a “newspaper” by any reasonable definition. An objective reading of the issues clearly discloses that it is a publication of a campaign committee: a group of disgruntled Township residents who wanted to unseat hard-working, honest members of the Township Board of Trustees and replace them with puppets of Frank Shepherd and Leslie Cunningham.

And sure enough, the January, 2019 issue of the Sentinel, reports in an article on the front page entitled “Money Tight — May be Crunch Time,” that the newly elected Board of Trustees has appointed Frank Shepherd to be a “new member of the Zoning Board of Appeals”, and Leslie Cunningham has been appointed to the Parks and Rec Committee. This completes the underhanded coup these two have engineered, and completes their takeover of Hayes Township government. All of this was accomplished in direct violation of the Michigan Campaign Finance Act.

The Secretary of State should reject the contention that The Hayes Township Sentinel qualifies as either a “newspaper”, or a member of the news media, for purposes of the MCFA.

II. THE MCFA DOES NOT AUTHORIZE A MEDIA PUBLICATION TO PURCHASE PAID ADVERTISING IN ANOTHER PUBLICATION EXPLICITLY ADVOCATING THE ELECTION OF SPECIFIC INDIVIDUALS TO PUBLIC OFFICE.

The Hayes Township Sentinel does not dispute that it purchased advertising in several issues of The Charlevoix Courier which explicitly encouraged citizens to vote for Frank Shepherd and Leslie Cunningham’s preferred candidates: Warren Nugent, Julie Collard, and Bob Jess. Under no circumstances can these ads be considered to be any type of objective reporting. It is simply a partisan, campaign publication using funds furnished by mysterious, unidentified persons, to purchase ads to further its

partisan election agenda.

Not only is The Hayes Township Sentinel not a newspaper, but even if the Secretary of State should conclude that it is part of the media, then its activity in purchasing these ads is not any objective news reporting, but is clearly partisan, political activity. As such, The Hayes Township Sentinel is required to register as a campaign committee, as required by the MCFA, and notify the public, through the Secretary of State, of the identify of the financial supporters of its partisan propaganda.

III. CONCLUSION.

The Michigan Legislature, in enacting the MCFA, clearly wanted to protect the First Amendment rights of legitimate news media publications. But the Legislature just as clearly did not intend that surreptitious campaign publications should be allowed to masquerade as part of the news media, and thereby evade the requirements of the MCFA. The Hayes Township Sentinel in and of itself, along with its paid ads in The Charlevoix Courier, is clearly not part of the news media. If the Secretary of State accepts the contention that it is part of the news media, then such a contention will effectively drive a truck through the MCFA's attempt to protect the public's right to know who is financing election campaigns, including recall campaigns. The Respondents' transparent efforts to evade their statutory obligations under the MCFA should be rejected by the Secretary of State.

IV. RELIEF REQUESTED

Should the Secretary of State agree that the Respondents have operated as a surreptitious, unregistered campaign committee, then the Petitioner requests that an appropriate financial sanction should be imposed, keeping in mind the substantial financial resources of Respondent Frank Shepherd, as a result of the sale of the real newspapers he used to own. In addition, the Petitioner requests that the Secretary of State require the Respondents to publish another issue of The Sentinel, distributed free of charge to all residents of Hayes Township, in Charlevoix County, MI, with a statement on the upper part of the front page directly below the masthead, acknowledging that the Respondents have been publishing The Hayes Township

Reply Memorandum Re: Hayes Township Sentinel
January 30, 2019

P. 6

Sentinel in violation of the MCFA, and publishing the names and contribution amounts of all financial contributors to The Sentinel since it first began publication in November, 2017.

WHEREFORE, for all the above reasons, together with the reasons set forth in the original Complaint, the Secretary of State should find the Respondents in violation of Michigan's Campaign Finance Act, and impose appropriate sanctions.

Respectfully submitted,



/S/ John F. Royal

John F. Royal (P27800)

Attorney at Law

Petitioner

Dated: January 30, 2019.

JFR/dg

Hayes Township SENTINEL

Keeping Watch and Shining Light on the Politics and Policies of Hayes Township
Published Monthly and Mailed Free to all Residents of Hayes Township, Charlevoix County

www.hayestownshipsentinel.com

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JANUARY 2019

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outing mailing to your home. So far we have quietly raised \$6,000, which puts us \$3,600 short of our goal of \$9,600.

If the spirit moves you and you enjoy receiving the newspaper each month we would very much appreciate you

sending us a small donation. We are incorporated as a Michigan nonprofit corporation and have been granted 501C4 status by the IRS.

This allows the corporation to be exempt from paying income taxes; however your donations are not tax deductible. If you choose to make a donation, please make your check payable to "Hayes Township Sentinel."

You may send your donation directly to:
The Hayes Township Sentinel
P.O. Box 581
Charlevoix, Michigan 49720

We thank you for your support. Every dollar you send goes directly to producing the newspaper. Your check will help us publish through the end of this year.

Frank Shepherd, Publisher
Leslie Cunningham, Editor

tight - may be crunch time

on She also expressed her opinion that with the large expense of Camp Sea-Gull Park (\$1.5 million and growing) she stated, "if it were me I would want a 1-year audit."

In other business, the board unanimously approved bills submitted by the Park contractor, MDC, for \$203,553.95 and turned down a payment request by Park engineer, Jim Malewitz for \$7,048.44.

The board also approved repaying the \$250,000 bank loan due on March 1 that the previous trustees secured from Charlevoix State Bank.

As to the current cash position of the township and its ability to continue paying township bills and to cash flow the park various board members expressed the following:

Supervisor VanZee.... "this pretty well wipes out our construction budget... The issue is cash flow not our ability to pay

bills... we must be cautious; we don't want to get into our reserves... We'll be in a better place in another month," continued VanZee.

Clerk Warren Nugent stated, "We may be getting close to not paying our monthly bills... we will know more in a month or so. It may be crunch time."

As to the board not approving Performance Engineering's bill, the Trustees took the following positions: "I have a hard time paying for work not done," said Trustee Bob Jess. "I want to be fair and respectful," said Treasurer Julie Collard. Supervisor VanZee said, "Haven't heard anyone up here saying we are not going to pay you. We don't want to write checks that are not any good, and we don't want to get into our reserves." Jim Malewitz, the engineer on the Park project said, "I will work with you."

In other business, four new members were appointed to the Parks and Rec Committee; Leslie Cunningham, Paul Zardus, Lisa Kuebler and Katie Hill. Frank Shepherd was also appointed as a new member of the Zoning Board of Appeals. He was an alternate member in 2018.

In addition, the board adopted the Township Recreation Master Plan that was recommended by the Planning Commission. This is revised every five years and all who read the plan lauded the efforts of Michelle Biddick and her sub-committee.

The Trustees also decided to hire long-time Hayes resident Geneva Himebauch as Recording Secretary to record and write the minutes of the three active boards; The Board of Trustees, The Planning Commission and The Zoning Board of Appeals.

Twenty people were in attendance with little public comment.



Voices of Your Township Officials ★ ★

supervisor@hayestownshipmi.gov
clerk@hayestownshipmi.gov
treasurer@hayestownshipmi.gov
trustee1@hayestownshipmi.gov
trustee2@hayestownshipmi.gov
zoning@hayestownshipmi.gov



Ron VanZee

by RON VANZEE, Supervisor

I am relieved and looking forward to 2019. It is nice, especially when everyone is so busy with life, to have so many people coming forward offering to serve our community. Our newly elected Board of Trustees is working hard to ensure that correct decisions are made for the long-term, well being of the Township. I am glad to be part of that cooperative effort. We will continue to keep you informed and part of all that we do.

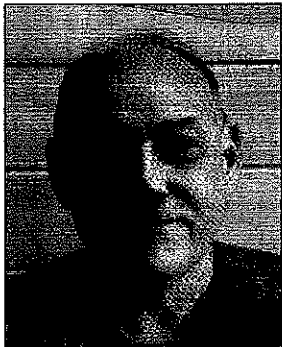
The construction at Hayes Township Park is on hold until spring however the financing challenges continue. I have always been worried about the ability to cash flow this project and now those worries have become a reality. The bank loan and the cash flow were dependent on grant reimbursements starting in September of 2018. Our first partial reimbursement from Waterways did

not arrive until December. MDC Contracting continued work through December significantly completing the actual boat launch and fishing pier. The ice bubblebers will be installed soon as the waves decrease and the ice starts to form. The projected completion date is June 15, 2019.

By the time this is printed, the public hearing for the updated Recreation Plan will have been completed and the Parks and Recreation Committee will be outlining their schedule for a pavilion, family, beach and swimming areas, trails, playgrounds and more for Hayes Township Park as well as bathrooms for Eastern Avenue Beach. We will be asking for donations and working on grants to assist with these improvements. People are coming forward and offering time and money. It is an exciting time.

I would like to see the Parks and Recreation Committee take on a more active

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Warren Nugent

by WARREN NUGENT, Clerk

Well, 2018 is over and it was a very busy and eventful year in Hayes Township. The biggest news happenings of the year were the construction project at Camp Sea-Gull and the election of three new township board members. I am honored to serve as the newly elected Hayes Township Clerk and I really enjoyed talking to all the township residents I met on the campaign trail and in the township hall since taking office.

Hayes Township voters turned out in record numbers on Tuesday November 6th for the midterm elections. We more than doubled our previous record for voters in

a midterm election. The Township hall had a steady flow of voters throughout the day. I would like to thank all of our voters that took the time to come out and vote on a cold rainy day. The township election workers deserve a lot of credit for making everything run so smoothly.

Since I took office in November I have been completing election follow up work, maintaining all the township and voter records, as well as making sure all the bills get paid. Being the clerk is an important job and there is a lot to learn but I am really enjoying it. My fellow township officials, various committee members, and residents

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Julie Collard

by JULIE COLLARD, Treasurer

Thank you, residents of Hayes Township, for all of your support and kind words! I've been working hard to not only process your taxes, but organize the accounts and responsibilities I inherited. Your notes, calls, and visits to the Township Hall have been a wonderful welcome for myself and our other new Board members.

It's been an eye-opening experience, to say the least, as I've learned more about the way our township accounts were set up. In the past, poor record keeping and lack of communication with the residents regarding property tax concerns were serious issues.

Transparency is my top priority and I will continue to present current verifiable balances of each Township account at our monthly Board of Trustees meetings. With the Board's approval, I have also re-named our bank accounts to clarify where the

money came from. For example, three Money Market Accounts were all just labeled "Money Market" in the income reports. The public needs to know whether or not the income is from grants, taxes, donations, etc.

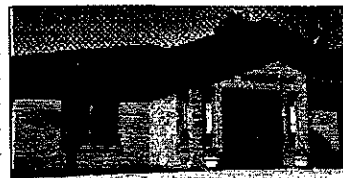
Our Township has undertaken a massive financial commitment in building Phase I of the Hayes Township Park. I have been working with our new Clerk, Warren Nugent, to get the clearest picture of every aspect of this project. As treasurer, I need to understand which expenses are Phase I and which are charged to the general budget. We are also attempting to create a column for each grant and what the balance left is for that grant. We are dedicated to accountability, clarity, and thoughtful decisions as we move forward.

Hayes Township also has a responsibility to repay the \$250,000 loan that it took out from Charlevoix State Bank to serve as a

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Vices of Your Township Officials

supervisor@hayestownshipmi.gov
clerk@hayestownshipmi.gov
treasurer@hayestownshipmi.gov
trustee1@hayestownshipmi.gov
trustee2@hayestownshipmi.gov
zoning@hayestownshipmi.gov



by RON VANZEE, Supervisor

I am relieved and looking forward to 2019. It is nice, especially when everyone is so busy with life, to have so many people coming forward offering to serve our community. Our newly elected Board of Trustees is working hard to ensure that correct decisions are made for the long-term, well being of the Township. I am glad to be part of that cooperative effort. We will continue to keep you informed and part of all that we do.

The construction at Hayes Township Park is on hold until spring however the financing challenges continue. I have always been worried about the ability to cash flow this project and now those worries have become a reality. The bank loan and the cash flow were dependent on grant reimbursements starting in September of 2018. Our first partial reimbursement from Waterways did

not arrive until December. MDC Contracting continued work through December significantly completing the actual boat launch and fishing pier. The ice bubblers will be installed soon as the waves decrease and the ice starts to form. The projected completion date is June 15, 2019.

By the time this is printed, the public hearing for the updated Recreation Plan will have been completed and the Parks and Recreation Committee will be outlining their schedule for a pavilion, family, beach and swimming areas, trails, playgrounds and more for Hayes Township Park as well as bathrooms for Eastern Avenue Beach. We will be asking for donations and working on grants to assist with these improvements. People are coming forward and offering time and money. It is an exciting time.

I would like to see the Parks and Recreation Committee take on a more active

decision-making the role. Currently, they are just advisory to the Board of Trustees. We have more than one park and access site in Hayes Township with considerable responsibilities, management, maintenance and improvements in each. We need to start thinking about the potential for each, including community activities and ways to encourage each user to the highest potential of our residents.

We are still seeking volunteers to serve on the newly formed Road Committee. This Committee will assess the roads in the Township and advise the Board of Trustees of priorities. They will also continually update the Township Road Plan reflecting the long-term goals.

We want your input. We want your ideas and encourage you to join us as we go forward. Let us know how we are doing.

by WARREN NUGENT, Clerk

Well, 2018 is over and it was a very busy and eventful year in Hayes Township. The biggest news happenings of the year were the construction project at Camp Sea-Gull and the election of three new township board members. I am honored to serve as the newly elected Hayes Township Clerk and I really enjoyed talking to all the township residents I met on the campaign trail and in the township hall since taking office.

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a midterm election. The Township hall had a steady flow of voters throughout the day. I would like to thank all of our voters that took the time to come out and vote on a cold rainy day. The township election workers deserve a lot of credit for making everything run so smoothly.

Since I took office in November I have been completing election follow up work, maintaining all the township and voter records, as well as making sure all the bills get paid. Being the clerk is an important job and there is a lot to learn but I am really enjoying it. My fellow township officials, various committee members, and residents

have been great to work with.

In the near future I will be adding a Deputy Clerk to assist in all my election, record keeping, budgeting, and payroll duties. The hours would be somewhat flexible and average about 12 hours per week. If you are interested or know of someone who would be interested in this position you can contact me at 231-547-6961 or email me at clerk@hayestownshipmi.gov. If you have any questions, concerns, or need help with anything you can contact me by the same number and email address. Thanks again for giving me the opportunity to serve as your Township Clerk

by JULIE COLLARD, Treasurer

Thank you, residents of Hayes Township, for all of your support and kind words! I've been working hard to not only process your taxes, but organize the accounts and responsibilities I inherited. Your notes, calls, and visits to the Township Hall have been a wonderful welcome for myself and our other new Board members.

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Transparency is my top priority and I will continue to present current verifiable balances of each Township account at our monthly Board of Trustees meetings. With the Board's approval, I have also re-named our bank accounts to clarify where the

money came from. For example, three Money Market Accounts were all just labeled "Money Market" in the income reports. The public needs to know whether or not the income is from grants, taxes, donations, etc.

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Hayes Township also has a responsibility to repay the \$250,000 loan that it took out from Charlevoix State Bank to serve as a

backup source of funding for this project. We will take care of this debt and then re-evaluate our financial standing in regard to the park. It appears that we will have to either look for ways to cut the general budget so that more money can be applied to the cost overruns on the Phase I project, or we will have to find more funding sources.

There are significant financial challenges facing Hayes Township for the foreseeable future. Your Board members are committed to listening to what you have to say, as well as taking the time to make thoughtful and appropriate decisions on your behalf. I'm honored and humbled to be a voice for a fresh direction for Hayes Township.

Please feel free to contact me with any questions/comments you have. My office hours are Tuesday, Wednesday, Thursday 9 a.m. to 12 p.m. My work phone number is (231)675-5927, and e-mail: treasurer@hayestownshipmi.gov.

5-year Park Plan apprc

Roy Griffiths, new Chairman of the Township Planning Commission opened his first meeting as Chair at the January 3rd public hearing and ran an efficient, all business 48 minute meeting.

While the attendance was sparse (12 in attendance with half being township officials) all who spoke lauded the effort made by the Park and Rec Committee, Chaired by Michelle Biddick. Special praise was given to Tom Darnton who was Senior Editor of the project.

The Committee was asked to revise a 5-year Park and Recreation Plan that was due by the end of 2018. The plan must be revised every 5 years and requires a public hearing.

Supervisor Ron VanZee was the first to speak, "If we want future grants for our

parks we need a plan in place." Van Zee continued, "You now need to take public comment, discuss any changes to the plan as you see necessary and forward it to the Board of Trustees."

Michelle Biddick, Chairperson of the Park and Rec Committee said, "We had four meetings and each member of the committee took the plan home and made it more user friendly. We now need a strategic plan to meet and bring the township together." She asked for more public input and their help in volunteering.

Jim McMahon requested the township consider making our parks and recreation areas "pet friendly" similar to what the DNR does. Jim also stated he hopes "the township does not incorporate snowmo-

bilers in using the township bike paths. In addition, I hope we have asked the Little Traverse Conservancy for their comments," continued McMahon.

Trustee Bob Jess applauded the Committee's hard work and asks the committee to consider improving the parking at Eastern Avenue Beach.

Larry Sullivan, Township Zoning Administrator, reminded everyone that America Inn on US 31 has recreation facilities open to the public. "You can walk in, pay a modest fee, and use their pool," said Sullivan. Also, the Rod and Gun club is open to the public on any days they are open. There is a small user charge," continued Sullivan.

Resident and Camp Sea-Gull Park neighbor, Paul Zardus, commented on go-

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January 15th Planning Commission Notes:

John Iacoangeli of Becker and Raeder Consulting firm advised the Planning Commission on a planned township wide Master Plan survey. The survey will be mailed to township residents with their Notice of Assessments and include a return envelope. It is anticipated that 40% of township residents will participate in the survey.

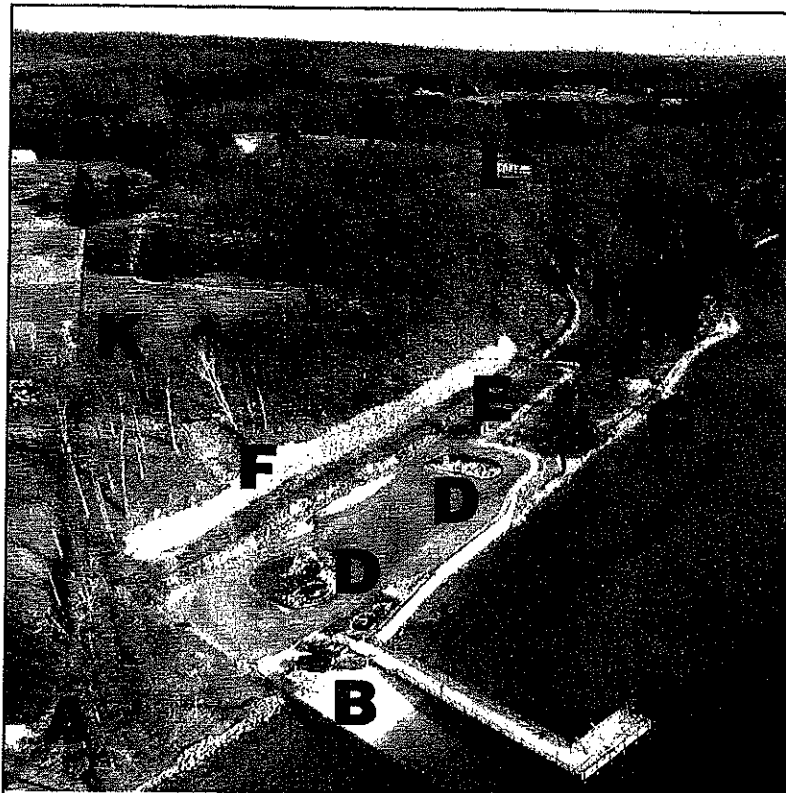
The Planning Commission is considering hosting a training session for its members and inviting other area "planners". It will be conducted by the Michigan Association of Planners and is in modular format and has a variety of programs.

An aerial survey has been done of Michigan Shores and 9 Mile Point to see the extent of non-conforming lots. The survey identifies several non-conforming parcels and the Commission is discussing how to deal with them. It decided to postpone discussion to allow further research.

New flood insurance maps are available at the Township Hall. Contact Larry Sullivan, Zoning Administrator.

Elmer's Construction Company has purchased land at the corner of Boyne City Road and Maple Grove. (The C.H Smith property) They presently pile the rubble from the excavations of Camp Sea-Gull on this site. It is zoned industrial on the east end and agriculture on the west end. They are asking the township for a permit to erect a temporary concrete batch plant. Their goal, according to Sullivan, is to make it permanent. The township attorney has been asked to give a legal opinion on the question of whether a concrete batch plant can even be built in an industrial zone.

Meetings are held on the third Tuesday of each month and the public is encouraged to attend.



A. West boundary fence line	F. 30' Shale Wall	K.
B. Boat launch	G. Beach Area	L.)
C. Fishing Pier	H. Existing cabins	M.
D. Rain Gardens	I. Wetlands	N.
E. Restroom	J. Launch Road	

December 10th Board of Trustee

- With Township money tight, Supervisor Van Zee is working with Camp Sea-Gull Park contractor, MDC, to help finance the remaining monies owed.
- New members, Warren Nugent, Clerk; Julie Collard Treasure and Bob Jess, Trustee were knowledgeable, efficient and respectful throughout the meeting.
- Supervisor Ron VanZee was appointed to the Parks and Rec Committee.
- Doug Kuebler was appointed.
- Bob Jess was re-appointed.
- Jerry Simpson will remain the Cemetery Committee al
- Marlene Golovich and Ann
- Bids have been received fo that will include recording i board will decide at their Feb

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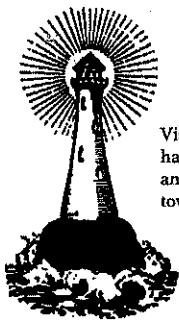
the importance of implementing Section 6 of the plan. Section 6 is a specific "Action Program" that presents a table of capital improvements with a cost and anticipated funding source. "We need a plan for site clean-up and a restoration of the park," said Zardus. "We need a plan that addresses the old buildings that need to be taken down before any other capital improvements," continued Zardus, "otherwise, great job."

The meeting ended with the Planning Commission unanimously approving the plan. The Board of Trustees then approved it at the January 14th Board meeting.

- K. Upper level, future development
L. Park Entrance
M. Host House
N. East Boundary

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- PAGE 3



Visit our website at
hayestownshipsentinel.com
and listen to recordings of
township meetings.

"Democracy Dies in Darkness"

Opinions

Shining Light on Political News

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Hayes Tow:
PC

And the award goes to - (Drum roll) THE VOTERS OF HAYES TOWNSHIP

A very cold and rainy Tuesday, November 6th brought out a record number of mid-term voters. The voters of Hayes Township ousted their Clerk, Marlene Golovich, Trustee Paul Hoadley and in absentia, Treasurer Robbin Kraft, who had resigned in September and did not face the wrath of the voters.

1184 of you braved the weather and marched from 7am until 8pm to the township hall and cast your votes. In the end, 70% of the registered voters in Hayes voted (versus 52% in the 2014 midterms) - a big shout out to you all and why you deserve the award!

In addition to a very large turnout, you also decided in record numbers to invoke a popular end of year slogan: "Out with the old and in with the new."

Just to show you how much you thought a change in officials was needed, Bob Jess defeated longtime political operative, Paul Hoadley in the trustee race, 65% to 35% thereby reversing the defeat Jess suffered to Hoadley in the 2016 August primary.

Remember, they tied in the 2016 summer primary and Country Clerk, Cherie Browe, drew Hoadley's name out of a coffee cup to break the tie.

In a later recount, Hoadley won by 1 vote. Well, two years later the voters booted Hoadley out and appropriately voted Jess in.

Three cheers to the voters for seeing what a sham Hoadley's 2-year term was where all he basically did was saddle the township with a one-dimensional park at a cost that will exceed \$1.5 MIL-

LION! And sources tell me we now cannot pay the contractor on their most recent invoices since we are about out of park money.

Incidentally, the \$250,000 Char-



Frankly Frank

by Frank Shepherd, Publisher

levoix State Bank loan was spent on the park last fall so that will not bail us out! Let's hope the contractor, MDC, agrees to extend terms to the township or we will be back at the bank. Or worse yet, we could be asking the voters to bail

out the township. And that you will be hung around the previous board members' necks since they pushed their personal agenda with the clock-like precision of 3 to votes on all park matters.

Ugh! That would not be a happy ending for a park that has cost \$5.8 million and all we have so far is a boat launch.

Well, better days are ahead once we get over this financial hump. After attending 2 BOT (Board of Trustees) meetings I see the respect all 5 BOT members have for each other and their willingness to listen to the public and take into consideration other ideas and solutions.

Newly elected Treasurer, Julie Collard has been working around the clock to straighten out the mess she inherited in the Treas-

Tighten your belts

The Hayes Township Board has major challenges ahead of it in 2019, most of them financial. I believe that while the expenses associated with the Phase I Boat Launch and Road Project are daunting, and rising monthly, we have elected the people who can collectively keep us out of debtor's prison and put us on the path to responsible stewardship of both money and property.

The most immediate task is to find a way to pay the construction bills we have. Treasurer Julie Collard has wound her way through a very sloppy set of books and records that she inherited and concluded that as of January 8, 2019 we will owe a total of \$187,730.48 if all current invoices are paid in full. This does not include

the 10% retainage that we are required to withhold until a year after Phase I is completed. That figure is currently \$134,562.57, but future work that we already know we will have to do will increase that amount as well.

Then we have the \$250,000 Charlevoix State Bank Loan that we have to pay back plus interest by March 1, 2019. That brings our total bill owing up to \$572,293.05. Are you gasping for breath yet? Collard estimates that after we pay the loan with interest back, we will then owe \$317,996.30. We do not have enough grant money coming in to cover this. We never were going to have enough! The 2019 Board (I've dubbed them the Fearless Five) has to come up with a plan that makes sense and

doesn't hurt too much.

Supervisor Ron VanZee said of the challenge, "We are not going to borrow any more money. I refuse. I've known from the beginning we couldn't cash flow



More from Les

by Leslie Cunningham, Editor

this." He recommends a careful look at the current general budget to see where we can transfer money into the Park fund to pay the bills. While our bank loan

must be repaid with grant funds, the road to the launch must be paid for out of the general fund and that will be a large part of our 2019 Park expenses, but we still don't know exactly how much. Our general fund savings account holds \$272,560.55 as of January 8. Even if we used the savings, we would still be behind but more manageably so.

Further we need to remember that we have to, by state law, retain about \$210,000 in our general budget as a 6 month operating cushion so that we can still meet payroll and keep vital services going in case we find ourselves in dire straights due to an outside event, like federal funding to the state disappearing due to a federal shutdown, or a local



STATE OF MICHIGAN
JOCELYN BENSON, SECRETARY OF STATE
DEPARTMENT OF STATE
LANSING

February 4, 2019

Eric E. Doster
2145 Commons Parkway
Okemos, MI 48864

Via E-mail

Re: *Royal v. Hayes Township Sentinel*
Campaign Finance Complaint
No. 2018-10-88-47

Dear Mr. Doster:

This letter concerns the complaint that was recently filed against you, which relates to a purported violation of the Michigan Campaign Finance Act (MCFA or Act), 1976 PA 388, MCL 169.201 *et seq.* The Department of State has received a rebuttal statement from the complainant, a copy of which is enclosed with this letter.

Section 15(10) of the MCFA, MCL 169.215(10), requires the Department to determine within 45 business days from the receipt of the rebuttal statement whether there is a reason to believe that a violation of the Act has occurred. The complaint remains under investigation at this time.

If the Department needs more information, you may be contacted. The complaint will remain under investigation until a final determination has been made. At the conclusion of the review, all parties will receive written notice of the outcome of the complaint.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam Fracassi".

Adam Fracassi
Bureau of Elections
Michigan Department of State

c: John Royal

Fracassi, Adam (MDOS)

From: Eric Doster <eric@ericdoster.com>
Sent: Friday, February 1, 2019 11:11 AM
To: Fracassi, Adam (MDOS)
Subject: RE: Royal v. Hayes Township Sentinel - Answer received

Thanks for the message.

Eric E. Doster
Attorney
Doster Law Offices, PLLC
2145 Commons Parkway
Okemos, MI 48864
Phone: 517.977.0147 (Direct)
eric@ericdoster.com
www.ericdoster.com

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From: Fracassi, Adam (MDOS) <FracassiA@michigan.gov>
Sent: Friday, February 01, 2019 11:08 AM
To: Eric Doster <eric@ericdoster.com>
Subject: RE: Royal v. Hayes Township Sentinel - Answer received

Hi Eric:

I have not received a rebuttal yet, but it was only due yesterday. Given the weather, the mail has been delayed, so I am still waiting to receive mail from this week. I am going to give it a few days to let everything start running again. I'll let you know either way.

Thanks,
Adam

From: Eric Doster <eric@ericdoster.com>
Sent: Friday, February 1, 2019 10:03 AM
To: Fracassi, Adam (MDOS) <FracassiA@michigan.gov>
Subject: RE: Royal v. Hayes Township Sentinel - Answer received

Adam: Did Mr. Royal ever file a rebuttal statement? EED

Eric E. Doster
Attorney

Doster Law Offices, PLLC
2145 Commons Parkway
Okemos, MI 48864
Phone: 517.977.0147 (Direct)
eric@ericdoster.com
www.ericdoster.com

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From: Fracassi, Adam (MDOS) <FracassiA@michigan.gov>
Sent: Thursday, January 03, 2019 10:25 AM
To: Eric Doster <eric@ericdoster.com>
Subject: RE: Royal v. Hayes Township Sentinel - Answer received

Eric:

I have tried multiple times to send you a copy of the attached correspondence but it keeps getting rejected for size purposes on my end. I have sent the attached letter together with your answer provided. I cannot email a copy of the exhibits because they are too large. Please let me know if you receive this, and let me know if you would like a copy of the exhibits mailed to you.

Thanks,

Adam Fracassi
Bureau of Elections

Fracassi, Adam (MDOS)

From: Fracassi, Adam (MDOS)
Sent: Tuesday, April 9, 2019 8:38 AM
To: 'Eric Doster'
Subject: RE: Royal v. Hayes Township Sentinel
Attachments: Determination.pdf; Independent_Expenditure_Report_98244_7.pdf

Thanks, Eric.

Please see the attached determination. If you have any questions, please let me know.

Adam

From: Eric Doster <eric@ericdoster.com>
Sent: Monday, April 8, 2019 5:55 PM
To: Fracassi, Adam (MDOS) <FracassiA@michigan.gov>
Subject: RE: Royal v. Hayes Township Sentinel

Adam:

Your assumption of “no” is correct. The Hayes Township Sentinel did not solicit funds for the purpose of financing the Charlevoix Community Shopper advertisements. Similar to the attached cases (Reader’s Digest Ass’n v FEC and Federal Election Commission v Phillips Publishing, Inc.), the Hayes Township Sentinel is not a “political committee[], [does] not solicit or receive any political contributions, or make any contributions to any candidate”. These attached cases also demonstrate that a publisher (such as the Hayes Township Sentinel) may “publicize content and editorial positions” by means other than the publisher’s newspaper.

Please contact me if you have additional questions, as we certainly appreciate the opportunity to respond. EED

Eric E. Doster
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From: Fracassi, Adam (MDOS) <FracassiA@michigan.gov>
Sent: Monday, April 08, 2019 2:20 PM
To: Eric Doster <eric@ericdoster.com>
Subject: RE: Royal v. Hayes Township Sentinel

Last question – did the Sentinel solicit contributions for the purpose of making these advertisements? Based upon your statement in footnote 17, I'm assuming the answer is no, but I need to double check.

From: Eric Doster <eric@ericdoster.com>
Sent: Friday, April 5, 2019 10:40 AM
To: Fracassi, Adam (MDOS) <FracassiA@michigan.gov>
Subject: RE: Royal v. Hayes Township Sentinel

Adam:

To answer your questions in the order presented:

1. I am able to verify that each of the 4 Charlevoix Community Shopper advertisements cost \$285.
2. At this time, I am unable to verify the origin of the quotes from the August 2018 Charlevoix Community Shopper advertisement. Please note that the August 2018 Charlevoix Community Shopper advertisement was the only advertisement of the attached 4 Charlevoix Community Shopper advertisements that contained quotes from Bob Jess, Julie Collard, and Warren Nugent.

Please contact me if I can be of any additional assistance in this matter. EED

Eric E. Doster
Attorney
Doster Law Offices, PLLC
2145 Commons Parkway
Okemos, MI 48864
Phone: 517.977.0147 (Direct)
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From: Fracassi, Adam (MDOS) <FracassiA@michigan.gov>
Sent: Monday, April 01, 2019 2:40 PM
To: Eric Doster <eric@ericdoster.com>
Subject: Royal v. Hayes Township Sentinel

Eric,

eric@ericdoster.com

www.ericdoster.com

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From: Fracassi, Adam (MDOS) <FracassiA@michigan.gov>

Sent: Monday, April 01, 2019 2:40 PM

To: Eric Doster <eric@ericdoster.com>

Subject: Royal v. Hayes Township Sentinel

Eric,

I have a few questions that I am hoping you can answer for me by the end of the week regarding the abovementioned campaign finance complaint.

1. There were four advertisements that were submitted with the complaint that were published in the Charlevoix Community Shopper. Can you identify the total cost of each of these advertisements? For your reference, a copy of these advertisements are attached.
2. In the same ads, there are several quotations appearing to be from Bob Jess, Julie Collard, and Warren Nugent – all candidates in the recall election. Can you identify where these quotations came from or whether they were created specifically for the advertisements?

If you have any questions, please do not hesitate to contact me. I'm here this week, but I'm out of the office Thursday and Friday.

Adam Fracassi

Bureau of Elections

I have a few questions that I am hoping you can answer for me by the end of the week regarding the abovementioned campaign finance complaint.

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Adam Fracassi
Bureau of Elections



STATE OF MICHIGAN
JOCELYN BENSON, SECRETARY OF STATE
DEPARTMENT OF STATE
LANSING

April 8, 2019

Eric Doster
Attorney for The Hayes Township Sentinel,
Frank Shepherd, & Leslie Cunningham
2145 Commons Parkway
Okemos, Michigan 48864

Via Email only

Re: *Royal v. Hayes Township Sentinel, et al.*
Campaign Finance Complaint
No. 2018-09-88-21

Dear Mr. Doster:

The Department of State (Department) has finished its investigation into the formal complaint filed by John Royal against your clients, alleging that the Hayes Township Sentinel (HTS) violated the Michigan Campaign Finance Act (MCFA or Act), 1976 PA 388, MCL 169.201 *et seq.* This letter concerns the resolution of the complaint.

Mr. Royal filed his complaint with the Department on October 25, 2018 alleging several violations of the Act. Mr. Royal stated that the HTS has published political campaign advertisements which expressly advocated for certain candidates in the November 2018 recall election. Mr. Royal stated that the HTS is a non-profit corporation and the Sentinel is distributed free of charge to all Hayes Township citizens. Mr. Royal further stated that HTS has not filed a statement of organization and filed certain reports as required by the MCFA. As evidence of this allegation, Mr. Royal submitted copies of the HTS dated September 29, 2018 and February 2018.

The second allegation raised by Mr. Royal concerns paid advertisements which were placed in the Charlevoix Community Shopper for the months of July, August, September and October. Mr. Royal stated that the HTS has paid for advertisement in the shopper that expressly advocate for the election of Warren Nugent for Clerk, Julie Collard for Treasurer, and Bob Jess for Trustee. Mr. Royal claims that the HTS has violated the MCFA because it has not registered as a committee and filed certain reports as required by the Act. As evidence of this allegation, Mr. Royal submitted copies of the advertisements from the Community Shopper.

By letter dated December 18, 2018, you responded on behalf of your clients. First, you argued that the HTS is a "newspaper, magazine, or other periodical or publication" under the Act, and is therefore exempt. You stated that HTS published the first edition in November 2017 and have published monthly since. You stated that the HTS' mission is to cover, document, and report all

the political news in the Township.” You then argued that because HTS is a newspaper, magazine, periodical, or publication, its activity does not count as an expenditure under the Act. MCL 169.206(2)(d). You claim that based off of this exempt, the news, opinion, commentary and editorials published by HTS are exempt from the Act. You further state that the advertisements paid for by the HTS in the Charlevoix Community Shopper were activities taken by HTS “acting in its ‘legitimate press function’ by promoting its editorial views to the citizens of Hayes Township.” You submitted as evidence to the answer copies of each of the monthly publications.

Mr. Royal submitted his rebuttal by letter dated January 30, 2019. In his rebuttal, Mr. Royal states that the HTS is not a newspaper as defined by the Revised Judicature Act, MCL 600.1950. Mr. Royal states that the monthly publication is purely political in nature and does not publish any material other than that which expressly advocates for the defeat of the incumbents. Mr. Royal further states that there is no material published that is non-partisan, and the Sentinel has no paid subscribers. He further stated that the HTS has “quietly raised \$6,000.” Mr. Royal further argued that the MCFA does not authorize a media publication to make paid expenditures that expressly advocates for the election or defeat of certain candidates in other newspapers, magazines, or periodicals.

The issue presented in this complaint is whether the HTS should be required to register as a committee for engaging in express advocacy by printing material advocating for candidates or purchasing advertisements in the Community Shopper.

Under the Act, the words “contribution” and “expenditure” are defined, in pertinent part, to include anything of ascertainable monetary value that is made for the purpose of influencing or to assist the nomination or election of a candidate. MCL 169.204(1); 169.206(1). A communication is not treated as an expenditure unless it “support[s] or oppose[s] a . . . candidate by name or clear inference [,]” or unless it contains “express words of advocacy of election or defeat, such as ‘vote for,’ ‘elect,’ ‘support,’ ‘cast your ballot for,’ ‘Smith for governor,’ ‘vote against,’ ‘defeat,’ or reject.” MCL 169.206(2)(b)(j). Further, “[i]n-kind contributions or expenditures must be listed at fair market value and reported as both contributions and expenditures.” MCL 169.226(1)(b).

Exempted from the definition of expenditure is “[a]n expenditure by a broadcasting station, newspaper, magazine, or other periodical or publication for a news story, commentary, or editorial in support of or opposition to a candidate for elective office or a ballot question in the regular course of publication or broadcasting.” MCL 169.206(2)(d).

The Department has never issued an interpretive statement or declaratory ruling on this exemption and the words are not defined by the Act. When words are not defined by statute, the Department must apply a definition that is generally familiar to the average person. See *People v. Martin*, 271 Mich App 280, 352 (2006). In these circumstances, it is appropriate to refer to the dictionary definition of “periodical” and “publication.” Periodical is defined as “published with

a fixed interval between the issues or numbers.”¹ Publication is defined for Copyright as “[t]he offering or distribution of copies of a work to the public.”²

According to your response, you indicated that the HTS is published monthly and is provided at no charge to the residents of Hayes Township and the primary goal of the paper is to provide coverage of political events in the Township. The HTS’ articles of incorporation echo this sentiment but stating that the corporation’s purpose is “to report on the monthly political happenings of the Hayes Township governing bodies . . . by publishing and circulating, free of charge, a monthly publication containing this information.”³

Based off the information contained within the articles of incorporation and considering the definition of “periodical” and “publication,” the Department concludes that HTS is a publication because it regularly prints material with a fixed interval between issues and offers copies to the public and the information is created, issued, or disseminated on a steady or uniform, and thus, predictable basis. Therefore, because HTS is a publication⁴, express advocacy for a news story, commentary, or editorial that it prints, pays for, and disseminates to the public does not classify as an expenditure under the Act. MCL 169.206(2)(d).

However, this exemption does not extend to advertisements the HTS paid for and placed in the third-party, Charlevoix Community Shopper. In your answer, you argued that the purchasing of these advertisements in the Community Shopper is a “legitimate press function by promoting [HTS] editorial views to the citizens of Hayes Township” and that these advertisements were a “legitimate press function.” The Department respectfully disagrees that the purchasing of advertisements which expressly advocate for the election of specific candidates is exempt under the Act. Moreover, the MCFA does not recognize the “legitimate press function” standard. Even if such standard existed under the Act, the purchasing of advertisements in a third-party publication that expressly advocate for the election of candidates squarely falls under the definition of “contribution” and “expenditure” as defined above and cannot be considered exempt under the Act.

Under the Act, corporations may make in-kind expenditures that are not coordinated with the candidate. MCL 169.254(4). A committee may be required to be formed where the corporation solicits or receives contributions in excess of \$500.00 for the purpose of making the independent expenditure. *Id.* While not required to form a committee, a person other than a committee that

¹ *Merriam-Webster’s English Dictionary*, available at <https://www.merriam-webster.com/dictionary/periodical>.

² Black’s Law Dictionary (10th ed. 2014).

³ Articles of Incorporation filed with the Department of Licensing and Regulatory Affairs, available at https://cofs.lara.state.mi.us/CorpWeb/CorpSearch/CorpSummary.aspx?ID=802116505&SEARCH_TYPE=1

⁴ Because the HTS meets the definition of publication, there is no need to determine whether HTS is a “newspaper.”

makes independent expenditures that expressly advocate for the passage or defeat of a ballot question totaling \$100.01 or more in a single calendar year is required to file a report of the independent expenditure with the county clerk within 10 days of the date of the independent expenditure. MCL 169.251(1). Failure to timely file the independent expenditure report may require the payment of late filing fees. MCL 169.251(2).

Here, in the absence of evidence to the contrary, the Department takes you at your word that HTS did not solicit or receive contributions for the purpose of making the independent expenditure in the Charlevoix Community Shopper. While Mr. Royal alleges that HTS solicited contributions totaling \$6,000 a review of the January 2019 publication shows that the money was solicited for the purpose of publishing the HTS. The January 2019 publication makes no reference to contributions for an independent expenditure. Accordingly, the Department takes you at your word that HTS did not solicit or receive contributions for the purpose of making the independent expenditure in the Charlevoix Community Shopper and those expenditures were not coordinated with the candidates.

However, because the cost of the independent expenditures in the Community Shopper totaled more than \$100.01, HTS is subject to the independent expenditure reporting requirements of section 51. In supplemental questions issued by the Department, you have indicated that each of these advertisements cost \$285. Section 51 requires that independent expenditure reports be filed with the appropriate filing official (here, the Charlevoix County Clerk) within 10 days of the date of the independent expenditure. MCL 169.251(1). Based upon the dates of the advertisements, the HTS should have filed four respective reports within 10 days of making the expenditure to the Community Shopper. To date, no such reports appear to have been filed.

Therefore, the Department concludes that the evidence supports a reason to believe a violation has occurred because the HTS made independent expenditures which expressly advocated for the election of certain candidates and failed to file proper independent expenditure reports with the Charlevoix County Clerk.

Upon reaching this conclusion, the Department is required to “endeavor to correct the violation or prevent a further violation by using informal methods [.]” if it finds that “there may be reason to believe that a violation ... has occurred [.]” MCL 169.215(10). The objective of an informal resolution is “to correct the violation or prevent a further violation [.]” *Id.*

As part of the informal resolution, the Department requests you file four independent expenditure reports related to each of the advertisements placed in the Community Shopper with the Charlevoix County Clerk’s office. For your convenience, a copy of the form is enclosed. **These reports should be filed no later than April 22, 2019.** The Department notes that you may be assessed a late-filing fee by the Charlevoix County Clerk. MCL 169.233(7). Late-filing fees are assessed and collected by the filing official with whom the statements are filed. MCL 169.217(1). Any questions regarding these late-filing fees should be directed to the Charlevoix County Clerk.

Eric Doster
April 8, 2019
Page 5

Upon the filing of the independent expenditure reports, the Department will review the reports in order to determine whether further enforcement action may be necessary. If you have any questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam Fracassi". The signature is fluid and cursive, with the first name "Adam" and last name "Fracassi" clearly distinguishable.

Adam Fracassi
Bureau of Elections
Michigan Department of State

c: Cheryl Potter Browe, Charlevoix County Clerk

Fracassi, Adam (MDOS)

From: Eric Doster <eric@ericdoster.com>
Sent: Wednesday, April 10, 2019 2:34 PM
To: Fracassi, Adam (MDOS)
Subject: RE: Royal v. Hayes Township Sentinel
Attachments: HTS IE Report 6.8.18 FILED.pdf; HTS IE Report 8.7.18 FILED.pdf; HTS IE Report 9.8.18 FILED.pdf; HTS IE Report 10.7.18 FILED.pdf

Adam:

Attached for your records are time-stamped copies of the four Independent Expenditure Reports that were filed this morning with the Charlevoix County Clerk. If the Department requires any further action on our part, please contact me. Thank you. EED

Eric E. Doster
Attorney
Doster Law Offices, PLLC
2145 Commons Parkway
Okemos, MI 48864
Phone: 517.977.0147 (Direct)
eric@ericdoster.com
www.ericdoster.com

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From: Eric Doster
Sent: Tuesday, April 09, 2019 12:08 PM
To: 'Fracassi, Adam (MDOS)' <FracassiA@michigan.gov>
Subject: RE: Royal v. Hayes Township Sentinel

Adam:

No questions whatsoever. Thank you for your diligent and thoughtful review of this matter. This may have been the first "media exemption" case that the Michigan Department of State has ever reviewed.

EED

Eric E. Doster
Attorney
Doster Law Offices, PLLC
2145 Commons Parkway
Okemos, MI 48864
Phone: 517.977.0147 (Direct)

eric@ericdoster.com

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From: Fracassi, Adam (MDOS) <FracassiA@michigan.gov>

Sent: Tuesday, April 09, 2019 8:38 AM

To: Eric Doster <eric@ericdoster.com>

Subject: RE: Royal v. Hayes Township Sentinel

Thanks, Eric.

Please see the attached determination. If you have any questions, please let me know.

Adam

From: Eric Doster <eric@ericdoster.com>

Sent: Monday, April 8, 2019 5:55 PM

To: Fracassi, Adam (MDOS) <FracassiA@michigan.gov>

Subject: RE: Royal v. Hayes Township Sentinel

Adam:

Your assumption of "no" is correct. The Hayes Township Sentinel did not solicit funds for the purpose of financing the Charlevoix Community Shopper advertisements. Similar to the attached cases (Reader's Digest Ass'n v FEC and Federal Election Commission v Phillips Publishing, Inc.), the Hayes Township Sentinel is not a "political committee[], [does] not solicit or receive any political contributions, or make any contributions to any candidate". These attached cases also demonstrate that a publisher (such as the Hayes Township Sentinel) may "publicize content and editorial positions" by means other than the publisher's newspaper.

Please contact me if you have additional questions, as we certainly appreciate the opportunity to respond. EED

Eric E. Doster

Attorney

Doster Law Offices, PLLC

2145 Commons Parkway

Okemos, MI 48864

Phone: 517.977.0147 (Direct)

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From: Fracassi, Adam (MDOS) <FracassiA@michigan.gov>

Sent: Monday, April 08, 2019 2:20 PM

To: Eric Doster <eric@ericdoster.com>

Subject: RE: Royal v. Hayes Township Sentinel

Last question – did the Sentinel solicit contributions for the purpose of making these advertisements? Based upon your statement in footnote 17, I'm assuming the answer is no, but I need to double check.

From: Eric Doster <eric@ericdoster.com>

Sent: Friday, April 5, 2019 10:40 AM

To: Fracassi, Adam (MDOS) <FracassiA@michigan.gov>

Subject: RE: Royal v. Hayes Township Sentinel

Adam:

To answer your questions in the order presented:

1. I am able to verify that each of the 4 Charlevoix Community Shopper advertisements cost \$285.
2. At this time, I am unable to verify the origin of the quotes from the August 2018 Charlevoix Community Shopper advertisement. Please note that the August 2018 Charlevoix Community Shopper advertisement was the only advertisement of the attached 4 Charlevoix Community Shopper advertisements that contained quotes from Bob Jess, Julie Collard, and Warren Nugent.

Please contact me if I can be of any additional assistance in this matter. EED

Eric E. Doster

Attorney

Doster Law Offices, PLLC

2145 Commons Parkway

Okemos, MI 48864

Phone: 517.977.0147 (Direct)

eric@ericdoster.com

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Sent: Monday, April 01, 2019 2:40 PM
To: Eric Doster <eric@ericdoster.com>
Subject: Royal v. Hayes Township Sentinel

Eric,

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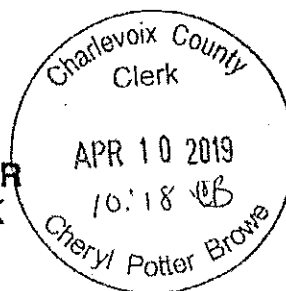
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Adam Fracassi
Bureau of Elections



MICHIGAN DEPARTMENT OF STATE
BUREAU OF ELECTIONS

**INDEPENDENT EXPENDITURE REPORT FOR
FILING WITH THE LOCAL COUNTY CLERK**
INDIVIDUALS, GROUPS AND ORGANIZATIONS
(Includes Corporations, Unions and Domestic Dependent Sovereigns)

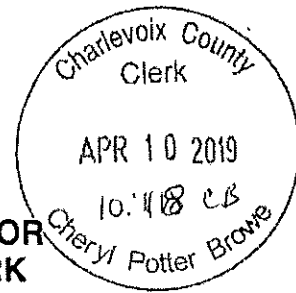


Use a separate form for each expenditure.

1a. Enter the candidate's name, office involved, jurisdiction/district and county of residence. <small>Warren Nugent for Hayes Township Clerk, Julie Collard for Hayes Township Treasurer, Bob Jess for Hayes Township Trustee</small>		1b. Describe the ballot question.	
<input checked="" type="checkbox"/> Support <input type="checkbox"/> Oppose		<input type="checkbox"/> Support <input type="checkbox"/> Oppose	
2. (Individual, Group or Organization that made Independent Expenditure)			
Name:	Address:	County of Residence or Location	
Hayes Township Sentinel	P.O. Box 581, Charlevoix, MI 49720	Charlevoix	
3. Person(s) Contributing More than \$100.00 to the Independent Expenditure			
Full Name:	Address:	Occupation	Employer
N/A			
4. Person or Business that Received the Funds: Charlevoix Community Shopper 7955 Eagle Nest Circle, Charlevoix, MI 49720		5. Date of Expenditure 06/08/18 <small>(This form is due within 10 days; Late Filing Fees Apply.)</small>	
<input type="checkbox"/> In-Kind (If box checked leave blank) <input checked="" type="checkbox"/> Not In-Kind		6. Amount of Expenditure \$ 285.00	
		7. Purpose/Description of the Independent Expenditure Ad in Charlevoix Community Shopper to support candidates	
8. Individual Filing the Report:			
Name: Frank Shepherd, Publisher			
Address: 08111 Mullberry Lane, Charlevoix, MI 49720			
9. Verification: I certify that all reasonable diligence was used in the preparation of this statement; to the best of my knowledge and belief the contents are true, accurate and complete.			
Signature of Person Filing the Report <u>Frank H Shepherd</u>		Date <u>4-10-19</u> Mo Day Year	



MICHIGAN DEPARTMENT OF STATE
BUREAU OF ELECTIONS



**INDEPENDENT EXPENDITURE REPORT FOR
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(Includes Corporations, Unions and Domestic Dependent Sovereigns)

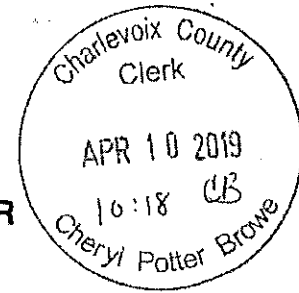
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<input checked="" type="checkbox"/> Support <input type="checkbox"/> Oppose		<input type="checkbox"/> Support <input type="checkbox"/> Oppose	
2. (Individual, Group or Organization that made Independent Expenditure)			
Name: <u>Hayes Township Sentinel</u>		Address: <u>P.O. Box 581, Charlevoix, MI 49720</u>	
County of Residence or Location <u>Charlevoix</u>			
3. Person(s) Contributing More than \$100.00 to the Independent Expenditure			
Full Name: <u>N/A</u>	Address:	Occupation	Employer
4. Person or Business that Received the Funds: <u>Charlevoix Community Shopper</u> <u>7955 Eagle Nest Circle, Charlevoix, MI 49720</u>		5. Date of Expenditure <u>09/08/18</u> <small>(This form is due within 10 days; Late Filing Fees Apply.)</small>	
		6. Amount of Expenditure <u>\$ 285.00</u>	
<input type="checkbox"/> In-Kind (If box checked leave blank) <input checked="" type="checkbox"/> Not In-Kind		7. Purpose/Description of the Independent Expenditure <u>Ad in Charlevoix Community Shopper to support candidates</u>	
8. Individual Filing the Report:			
Name: <u>Frank Shepherd, Publisher</u>			
Address: <u>08111 Mullberry Lane, Charlevoix, MI 49720</u>			
9. Verification: I certify that all reasonable diligence was used in the preparation of this statement; to the best of my knowledge and belief the contents are true, accurate and complete.			
Signature of Person Filing the Report <u>Frank H. Shepherd</u>		Date <u>4-10-19</u> Mo Day Year	



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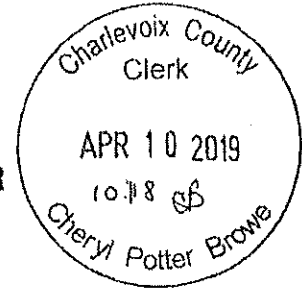
Use a separate form for each expenditure.

1a. Enter the candidate's name, office involved, jurisdiction/district and county of residence. <small>Warren Nugent for Hayes Township Clerk, Julie Colford for Hayes Township Treasurer, Bob Jess for Hayes Township Trustee</small>		1b. Describe the ballot question.	
<input checked="" type="checkbox"/> Support <input type="checkbox"/> Oppose		<input type="checkbox"/> Support <input type="checkbox"/> Oppose	
2. (Individual, Group or Organization that made Independent Expenditure)			
Name: <u>Hayes Township Sentinel</u>		Address: <u>P.O. Box 581, Charlevoix, MI 49720</u>	
County of Residence or Location <u>Charlevoix</u>			
3. Person(s) Contributing More than \$100.00 to the Independent Expenditure			
Full Name: <u>N/A</u>	Address:	Occupation	Employer
4. Person or Business that Received the Funds: <u>Charlevoix Community Shopper</u> <u>7955 Eagle Nest Circle, Charlevoix, MI 49720</u>		5. Date of Expenditure <u>08/07/18</u> <small>(This form is due within 10 days; Late Filing Fees Apply.)</small>	
<input type="checkbox"/> In-Kind (If box checked leave blank) <input checked="" type="checkbox"/> Not In-Kind		6. Amount of Expenditure <u>\$ 285.00</u>	
		7. Purpose/Description of the Independent Expenditure <u>Ad in Charlevoix Community Shopper to support candidates</u>	
8. Individual Filing the Report:			
Name: <u>Frank Shepherd, Publisher</u>			
Address: <u>08111 Mullberry Lane, Charlevoix, MI 49720</u>			
9. Verification: I certify that all reasonable diligence was used in the preparation of this statement; to the best of my knowledge and belief the contents are true, accurate and complete.			
Signature of Person Filing the Report <u>Frank H Shepherd</u>		Date <u>4-10-19</u> Mo Day Year	



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BUREAU OF ELECTIONS

**INDEPENDENT EXPENDITURE REPORT FOR
FILING WITH THE LOCAL COUNTY CLERK**
INDIVIDUALS, GROUPS AND ORGANIZATIONS
(Includes Corporations, Unions and Domestic Dependent Sovereigns)



Use a separate form for each expenditure.

1a. Enter the candidate's name, office involved, jurisdiction/district and county of residence. <small>Warren Nugent for Hayes Township Clerk, Julie Colford for Hayes Township Treasurer, Bob Jess for Hayes Township Trustee</small>		1b. Describe the ballot question.	
<input checked="" type="checkbox"/> Support <input type="checkbox"/> Oppose		<input type="checkbox"/> Support <input type="checkbox"/> Oppose	
2. (Individual, Group or Organization that made Independent Expenditure)			
Name: <u>Hayes Township Sentinel</u>		Address: <u>P.O. Box 581, Charlevoix, MI 49720</u>	
County of Residence or Location <u>Charlevoix</u>			
3. Person(s) Contributing More than \$100.00 to the Independent Expenditure			
Full Name: <u>N/A</u>	Address:	Occupation	Employer
4. Person or Business that Received the Funds: <u>Charlevoix Community Shopper</u> <u>7955 Eagle Nest Circle, Charlevoix, MI 49720</u>		5. Date of Expenditure <u>10/07/18</u> <small>(This form is due within 10 days; Late Filing Fees Apply.)</small>	
		6. Amount of Expenditure <u>\$ 285.00</u>	
<input type="checkbox"/> In-Kind (If box checked leave blank) <input checked="" type="checkbox"/> Not In-Kind		7. Purpose/Description of the Independent Expenditure <u>Ad in Charlevoix Community Shopper to support candidates</u>	
8. Individual Filing the Report:			
Name: <u>Frank Shepherd, Publisher</u>			
Address: <u>08111 Mullberry Lane, Charlevoix, MI 49720</u>			
9. Verification: I certify that all reasonable diligence was used in the preparation of this statement; to the best of my knowledge and belief the contents are true, accurate and complete.			
Signature of Person Filing the Report <u>Frank H Shepherd</u>		Date <u>4-10-19</u> Mo Day Year	

Fracassi, Adam (MDOS)

From: Fracassi, Adam (MDOS)
Sent: Wednesday, April 10, 2019 3:02 PM
To: clerk@charlevoixcounty.org
Subject: FW: Royal v. Hayes Township Sentinel
Attachments: HTS IE Report 6.8.18 FILED.pdf; HTS IE Report 8.7.18 FILED.pdf; HTS IE Report 9.8.18 FILED.pdf; HTS IE Report 10.7.18 FILED.pdf; Determination.pdf

Please find attached a determination in a campaign finance complaint related to four independent expenditure reports that were filed with your office today.

If you have any questions, please do not hesitate to contact me.

Adam Fracassi
Election Law Specialist
Bureau of Elections
Michigan Department of State
430 West Allegan Street
Lansing, Michigan 48918
(517) 335-3234

From: Fracassi, Adam (MDOS) <FracassiA@michigan.gov>
Sent: Tuesday, April 09, 2019 8:38 AM
To: Eric Doster <eric@ericdoster.com>
Subject: RE: Royal v. Hayes Township Sentinel

Thanks, Eric.

Please see the attached determination. If you have any questions, please let me know.

Adam

From: Eric Doster <eric@ericdoster.com>
Sent: Monday, April 8, 2019 5:55 PM
To: Fracassi, Adam (MDOS) <FracassiA@michigan.gov>
Subject: RE: Royal v. Hayes Township Sentinel

Adam:

Your assumption of “no” is correct. The Hayes Township Sentinel did not solicit funds for the purpose of financing the Charlevoix Community Shopper advertisements. Similar to the attached cases (Reader’s Digest Ass’n v FEC and Federal Election Commission v Phillips Publishing, Inc.), the Hayes Township Sentinel is not a “political committee[], [does] not solicit or receive any political contributions, or make any contributions to any candidate”. These attached cases also demonstrate that a publisher (such as the Hayes Township Sentinel) may “publicize content and editorial positions” by means other than the publisher’s newspaper.

Please contact me if you have additional questions, as we certainly appreciate the opportunity to respond. EED

Eric E. Doster

Attorney

Doster Law Offices, PLLC

2145 Commons Parkway

Okemos, MI 48864

Phone: 517.977.0147 (Direct)

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www.ericdoster.com

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From: Fracassi, Adam (MDOS) <FracassiA@michigan.gov>

Sent: Monday, April 08, 2019 2:20 PM

To: Eric Doster <eric@ericdoster.com>

Subject: RE: Royal v. Hayes Township Sentinel

Last question – did the Sentinel solicit contributions for the purpose of making these advertisements? Based upon your statement in footnote 17, I'm assuming the answer is no, but I need to double check.

From: Eric Doster <eric@ericdoster.com>

Sent: Friday, April 5, 2019 10:40 AM

To: Fracassi, Adam (MDOS) <FracassiA@michigan.gov>

Subject: RE: Royal v. Hayes Township Sentinel

Adam:

To answer your questions in the order presented:

1. I am able to verify that each of the 4 Charlevoix Community Shopper advertisements cost \$285.
2. At this time, I am unable to verify the origin of the quotes from the August 2018 Charlevoix Community Shopper advertisement. Please note that the August 2018 Charlevoix Community Shopper advertisement was the only advertisement of the attached 4 Charlevoix Community Shopper advertisements that contained quotes from Bob Jess, Julie Collard, and Warren Nugent.

Please contact me if I can be of any additional assistance in this matter. EED

Eric E. Doster

Attorney

Doster Law Offices, PLLC

2145 Commons Parkway

Okemos, MI 48864

Phone: 517.977.0147 (Direct)

Fracassi, Adam (MDOS)

From: Fracassi, Adam (MDOS)
Sent: Monday, April 22, 2019 5:11 PM
To: jfroyal2000
Subject: Royal v. Hayes Township Sentinel
Attachments: Disposition letter.pdf

Mr. Royal,

Please find attached correspondence regarding your complaint filed. If you have any further questions, please do not hesitate to contact me.

Adam Fracassi
Bureau of Elections



STATE OF MICHIGAN
JOCELYN BENSON, SECRETARY OF STATE
DEPARTMENT OF STATE
LANSING

April 22, 2019

Eric Doster
2145 Commons Parkway
Okemos, Michigan 48864

Via Email

Re: *Royal v. Hayes Township Sentinel*
Campaign Finance Complaint
No. 2018-10-88-21

Dear Mr. Doster:

This letter concerns the campaign finance complaint filed against your client, the Hayes Township Sentinel by John Royal, which alleged certain violations of the Michigan Campaign Finance Act (MCFA or Act), 1976 PA 388, MCL 169.201 *et seq.*

In his complaint, Mr. Royal alleged that the Hayes Township Sentinel had made certain contributions or expenditures but had failed to register as a committee and failed to file certain reports.

By letter dated April 8, 2019, the Department found that the evidence provided supported a reason to believe that a violation had occurred. As previously indicated, upon reaching this conclusion, the Department is required to "endeavor to correct the violation or prevent a further violation by using informal methods [.] if it finds that "there may be reason to believe that a violation ... has occurred [.] MCL 169.215(10). The objective of an informal resolution is "to correct the violation or prevent a further violation [.]" *Id.*

As part of the informal resolution, the Department asked you to file independent expenditure reports with the Charlevoix County Clerk's Office (the filing official) and provide a copy of the reports to the Department. These reports were sent via email prior to the requested date and have been received by the County Clerk's Office.

The Department has reviewed these statements and is satisfied that you complied with the Department's request. Therefore, the Department now considers this matter closed and will post the file to its website.

The Department notes that your client may be assessed late-filing fees per report by the Charlevoix County Clerk for each of these statements that were not timely filed. MCL 169.233(7). Late-filing fees are assessed and collected by the filing official with whom the

Eric Doster
April 22, 2019
Page 2

statements are filed. MCL 169.217(1). Any questions regarding these late-filing fees should be directed to the Charlevoix County Clerk.

Please be advised that this notice has served to remind you of your obligation under the Act to identify your printed matter and may be used in future proceedings as evidence that tends to establish a knowing violation of the Act.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam Fracassi", written in a cursive style.

Adam Fracassi
Bureau of Elections
Michigan Department of State

c: John Royal