

**SPECIAL MEETING OF THE CHELSEA AREA CONSTRUCTION AGENCY BOARD**  
**THURSDAY, FEBRUARY 8, 2024, 9:30 a.m.**  
**LOCATION: 12172 Jackson Rd. Dexter, MI 48130**

**Board Members Present:** Maris Metz (Dexter Township), Duane Luick (Lima Township), Pam Byrnes (Lyndon Township), Amanda Nimke (Sylvan Township), Jason Freeman (City of Chelsea)

**Board Members Absent:** None

**Staff Present:** Matt Forster

**Others Present:** Bryan Riedel, Dennis Kochanowski, Justin Flink, Danny Veri, Karen Sikkenga, Blake Veri, Devin Morgan, Robert Shoner, Rick Grausten, Michelle Stambouellis

**Call to Order:** Nimke called the meeting to order at 9:33a.m.

**Call to the public:** None.

**Approval of the Agenda:** Motion by Metz, seconded by Byrnes to approve the February 8, 2024 agenda as presented. All ayes. Motion carried.

**Approval of the January 18, 2024 minutes and January 30, 2024 minutes, January 30, 2024 Closed-session minutes:** Byrnes suggested clarifying that the Board would review employment policies and procedures as referenced in the January 18, 2024 minutes. Motion by Luick to approved the January 18, 2024 as amended and January 30, 2024 minutes and January 30, 2024 Closes-session minutes. Supported by Metz. All ayes. Motion carried.

**Discussion with Agency Attorney:** Attorney Lillich stated that the Agency was a public agency created under an interlocal agreement. Byrnes asked how the budget should be set procedurally and how revenues could be spent, and the statutory restrictions on the level of excess funds the Agency was allowed to retain. Lillich said he was not aware of any statutory requirement with regard to the limitation on excess funds, but that the Agency was to be responsive to its constituent members as provided for in the interlocal agreement, and that the Board had the authority to run the agency as they determined it to be necessary, under the law.

Nimke referenced Section 125.1522 of the State Construction Code Act, Act 230 of 1972, and said she interpreted that to mean the Agency was bound to set the fee schedule at a rate to cover its operating expenses. Lillich said the fees could cover operations, maintenance and the future growth, but that the Board had the authority to modify the fees if they felt they were excessive. Luick said the Agency had faced financial challenges in the past when the building market was low and was now more solvent and running more efficiently.

Metz said she had concerns regarding prior expenditures. Luick said he understood Metz's concerns regarding recent purchases but felt the Agency had spent money appropriately, such as paving the parking lot.

**Discussion of By-Laws and Interlocal Agreement:** Nimke requested an updated copy of the By-Laws as amended in 2022.

**Discussion of Accountant Letter of Recommendation and Engagement Letter:** Byrnes said there were issues in the past with the Board not receiving financial documents prior to the Board meetings. Lillich said it was imperative to the function of the Board to receive documents in a timely manner, to allow members time to review materials thoroughly. Nimke agreed, and said the Board had given the accountant read-only access to the bank statements, which would alleviate any delay in receiving financials. Lillich said the Board could amend the By-Laws to reflect a deadline for receiving the financial statements before a Board meeting, or could be covered in a policy.

Nimke said the accountant recommended an outside agent enter pay-roll and PTO hours, and that timesheets be approved before submission for payroll. The Board discussed the difference between salary versus hourly employee with regard to overtime, and the possibility of a salaried employee to receive overtime pay. Freeman said there were contracts that allowed salaried employees to receive overtime. Nimke said the accountant recommended restricting payroll submission to two pay-periods per month; reviewing wages with a benchmarking company due to them being high; PTO being paid out once a year instead of randomly; a comparable study on retirement plans due to the current 24% contribution from the Agency; reducing the petty cash account; locking up the credit card with petty cash; removing or further clarifying the Wellness Program; requiring two signatures on checks, and monthly Board meetings.

Motion by Byrnes to amend the agenda at 10:30 a.m. to allow public comment. Supported by Metz. All ayes. Motion carried.

K. Sikkenga said she appreciated the Board taking up these issues and suggested setting working committees to address different agenda items.

D. Veri said the fees the Agency charged were lower than other areas and appreciated the service the Agency provided.

D. Kochanowski said the Agency provided efficient services and that he wished other municipalities would offer local resources like the Agency.

J. Flink said the fees were fair and appreciated the inspectors and plan review process.

R. Shoner said the fees were low and also appreciated the staff.

B. Riedel agreed with the other speakers and said he appreciated the service he received.

D. Morgan asked if programs that had been put in place were still active, such as paying for inspector's classes. Morgan asked if funds could be released for her HAS account and reimbursements for the Wellness program.

Forster said he had been handed extra duties and wanted to make sure he was processing things appropriately. Metz said the Board had authorized Forster to hire additional staff as needed, Forster said he did not need extra staff at that time.

**Discussion of Benchmarking and Compensation Package, Including Request for Proposal:**

Nimke said she would work on the Request for Proposal, and would ask Lyndon Township Board Member Alternate, Scott Pacheco for his assistance.

**Discussion of Scheduling Budget for upcoming fiscal year:** Byrnes and Freeman said they would work on the budget, to be discussed at a special meeting before March 1<sup>st</sup>.

Luick and Metz agreed to work on investments. Metz suggested waiting on discussing handbook modifications, and policy and procedure discussions after input from the consultant hired to review them, in addition to benchmarking.

**Discussion of Personnel Handbook, and comparison with surrounding public entities:** To be reviewed after input from a consultant.

**Discussion of Policies and Procedures, and comparison with surrounding public entities**  
**Discussion and Consideration of Monthly Board meetings in addition to quarterly meetings and meeting time change:** To be reviewed after input from consultant.

The Board agreed to meet on February 28<sup>th</sup> for a special meeting. The Board agreed to modify the schedule, to meet monthly for six months. Nimke requested changing the meeting time to 10:00 a.m.

The Board discussed HSA benefits for 2024 and pending Wellness program requests. Metz said she disagreed with using public funds for expenditures for the Wellness program. Luick said he appreciated having a membership at the Chelsea Wellness Center. Nimke said she wanted to see records of prior expenditures. Lillich suggested that the Board postpone a decision, to gather further information. Nimke suggested the discussion be tabled until the budget meeting scheduled for the end of February.

Luick said the Board had authorized hiring additional staff from Carlisle Wortman to assist with operation. Metz said there were benefits to hiring Carlisle Wortman. Forster said he was able to maintain operations with the two office assistants already employed by the Agency. Forster said the slow time of the Agency was January through March.

**Discussion on how to present future problems to the Board on employee problems:** Luick said he had concerns with the process of the investigation, and asked if there was another way to approach it in the future. Luick also asked if alternates were allowed in closed-session meetings.

Lillich said the Board was authorized to invite anyone into a closed-session meeting. Nimke said she had sent out an email to the Board, before the meeting, sharing that a Board member had requested that alternates be included.

Nimke said she had reviewed financial documents and payroll records for all employees, and found some areas of concern. Nimke said she brought those concerns to Lillich for his opinion and then followed his guidance regarding the process.

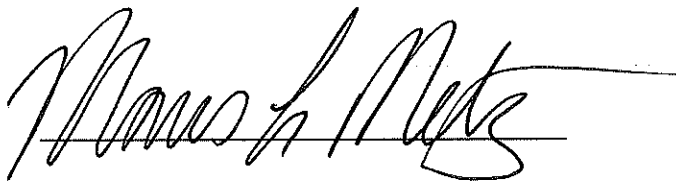
**Discussion on alternate involved in closed session meeting:** Addressed above.

**Discussion of engaging a recording secretary:** Metz said it would be beneficial to hire a recording secretary. Nimke said the By-laws stated that the Board would need to approve a resolution to hire a recording secretary, which could be discussed at the next meeting.

**Other Business:** The Board discussed the process by which the Board members were paid their compensation.

**Call to public:** None

**Adjournment:** Motion by Freeman to adjourn the meeting. Supported by Metz. Meeting adjourned at 11:36 a.m.

A handwritten signature in black ink, appearing to read "Maris Metz", written over a horizontal line.

Maris Metz  
CACA Board Secretary