

Augusta Charter Township
8021 Talladay Road, Whittaker, MI 48190
Regular Board of Trustees Meeting
June 10, 2013 7:00 p.m.

1. Call meeting to order at 7:00 p.m.
2. Pledge of Allegiance.
3. Roll Call: Present: Dew, Giszczak, Howard, Keefe, Hafler and Thornton.
Absent: Todd.
4. Motion by Giszczak, 2nd by Keefe to accept the agenda as submitted.
5. Todd arrived at 7:02 pm.
6. Motion by Giszczak to approve the 5/28/2013 Meeting Minutes as amended.
Roll Call: Aye: Dew, Giszczak, Hafler, Howard, Keefe, Thornton and Todd.
Nay: None. Absent: None. Motion passed.
7. Public comment opened at 7:03 p.m. closed at 7:50 p.m.
8. Motion by Howard, 2nd by Keefe to approve for the record the "Resolution to Rescind Termination of Wade Trim Contract and the rehire of Utility Management Services resolution" for the record as follows:

Resolution to Rescind Termination of Wade Trim Contract and
Rescind Rehire of Utility Management Services

RESOLUTION 13-05

DATE RESOLUTION PROPOSED: 06/10/2013

DATE RESOLUTION ADOPTED: Failed.

At a regular meeting of the Township Board of Trustees of Augusta Charter Township, Washtenaw County, Michigan, held at the Township Hall of said Township **on the 10th day of June, 2013** the following resolution was offered:

WHEREAS, the Board of Trustees of Augusta Charter Township by majority vote agreed to and entered into a three (3) year contract ending **4/24/2015** with the company Wade Trim Operations Services, Inc as an independent contractor on April 10th, 2012 for them to provide and oversee the routine maintenance, preventative care and emergency repair, service reading and billing of our water and sewer system, and

WHEREAS, said contract between Wade Trim and Augusta Township contains specific and agreed upon conditions and terms for: General Provisions; Owner's Responsibilities; Compensation; **Term, Termination, Breach and Cure**; Indemnity and Liability; Insurance; **Labor Dispute; Arbitration; Force Majeure**; Access to Facilities and Property; and Changes, and

WHEREAS, on May 13th, 2013, the Board of Trustees by majority vote took action to terminate this contract without advice or knowledge of legal counsel, specifically refusing to seek such counsel and in contradiction to the conditions and terms agreed upon resulting in a material breach of contract of at least three of these terms, and

WHEREAS, this breach of contract has resulted in a demand of payment of \$253,041.73 by June 13, 2013 which includes their monthly fees for 90 days of transitional service to the township and the rest in loss of profits and stranded costs resulting from the breach of contract, and

WHEREAS, the Board of Trustees in a second motion and majority vote, without benefit of prior knowledge or advice of legal counsel, rehired Utilities Management Services, LLC on an unlimited Draft Contract at a base cost of \$20,000/month (\$240,000/year) plus additional cost for emergency repairs, and other unspecified items and vendors, and

WHEREAS, these actions will most likely result in a combined cost approximating a half million dollars or more to the residents of this township, either in the loss of funds previously allocated to services or from reserves in our fund balance or in rate hikes for service (a severe increase in costs) without increased benefit.

THEREFORE, BE IT RESOLVED, to RESCIND the motion to terminate Wade Trim immediately (06/10/2013), and allow them to complete the FULL term of their contract **ending 4/24/2015 unhindered by any undue form of harassment by the Supervisor or any of his representatives, but instead abide by the provisions for conflict resolution and arbitration afforded by the contract.**

THEREFORE BE IT FURTHER RESOLVED that the motion to rehire Utilities Management Services, LLC is RESCINDED immediately (06/10/2013) and that no further search for competitive bids or any other form of water/sewer utility contracts will be solicited or considered until six (6) months prior to the completion date of April 10th, 2015 of the Wade Trim contract.

Friendly amendment Todd, accepted by Howard that if the motion does not pass today, that the resolution will be tabled for 30 days. Roll Call: Aye: Giszczak, Howard and Keefe. Nay: Dew, Hafler, Thornton and Todd. Motion failed.

9. Motion by Todd, 2nd by Dew to seek township attorney legal counsel as it relates to the Wade Trim's and the Utilities Management Services' contractual issues for the June 25, 2013 board meeting if possible. Roll Call: Aye: Dew, Keefe, Thornton, Giszczak, Todd, Howard and Hafler. Nay: None. Absent: None. Motion passed.

10. Motion by Dew, 2nd by Hafler to accept the 360/Whitlock quote not to include the newsletter and not to exceed \$1,700.00. Roll Call: Aye: Dew, Keefe, Thornton, Todd, Howard and Hafler. Nay: Giszczak. Absent: None. Motion passed.

11. Public comment opened at 8:19 p.m. closed at 8:20 p.m.

12. Motion by Hafler, 2nd by Dew to adjourn meeting at 8:25 p.m. Motion passed.

Respectfully submitted:

Pete Hafler, Supervisor

Kathy Giszczak, Clerk

Date

Date