



ACME TOWNSHIP
FARMLAND & OPEN SPACE PRESERVATION
CITIZENS ADVISORY COMMITTEE
Wednesday, January 18, 2012 9:00 a.m.
Acme Township Hall
6042 Acme Road, Williamsburg MI 49690

Meeting called to Order at 9:07 p.m.

Members present: B. Garvey, B.Carstens
Members excused: None
Staff present: W.Kladder, Township Supervisor
S. Vreeland, Township Manager
P. Kilkenny, Zoning Administrator/Planner
B. Bourdages, Farmland Preservation
M. McDonough, GTRLC
J. Jocks, Legal Counsel
N. Edwardson, Recording Secretary

1. **Limited Public Comment:** None

2. [Approval of Minutes from June 6, 2011 meeting:](#)
Motion by Garvey. Seconded by Carstens to approve the meeting minutes from June 6, 2011. Motion carried unanimously.

3. **Correspondence**

1. [Grand Traverse County Farmland Preservation Board Meeting Minutes for November 14, 2011 \(DRAFT\)](#)

Bourdages said what could be of special interest is in paragraph two in the letter from Sych, Planning Director, for Grand Traverse County. It is noted that it appears that one parcel, 01-226-010-02 from application # 11, is located outside of the Acme Township Agricultural Preservation Zone. However, the parcel was included as part of the scoring process since the applicant owned another parcel in the Agricultural Preservation Zone. Garvey asked if we could legally to this. Bourdages said it was up to the township. He said this is how Ernie chose to take care of this. He said there are two ways to handle this, one by having the planning commission amend the Agricultural Preservation Zone to allow this parcel or secondly ask the County to redo the scoring to not include this parcel. Vreeland raised the question if this parcel had some restrictions. She believes it to be adjacent to the Music House. Garvey questioned why even bring this up. We have a cash shortage as it is. Garvey would like to entertain a motion but does not want to interrupt anything else that may take place in the meeting.

OTION BY CARSTENS. SECONDED BY GARVEY TO SEND A LETTER TO VELIQUETTES THANKING THEM FOR THEIR INTEREST BUT AT THIS TIME WE ARE NOT INTERESTED IN CHANGING THE AGRICULTURAL PRESERVATION ZONE AND SECONDLY A LETTER TO THE COUNTY ASKING THEM TO REMOVE THE PARCEL AND MAKE AN ADJUSTMENT ON THE SCORING. MOTION CARRIED UNANIMOUSLY.

4. **New Business:**

1. [Review the status of Federal Farmland Grant/Closings on PDR Round I properties/Review of 2011 Acme Township PDR Applications](#)

Bourdages thanked Vreeland for compiling this memo. He said the complication revolves around the ownership of mineral right on the three properties and oil & gas exploration lease agreements entered into by the mineral rights owners. Bourdages said the township and State of Michigan are joint grantees of a 2010 Federal Farm and Ranch Lands (FRPP) grant in the amount of \$611,421. Under the terms of the grant agreement, we are required to use the funds

by March 31, 2012. The mineral rights status of each of the parcels of land are as follows; Cherry Country Cove parcel mineral rights title search revealed that they are not the owner of the mineral rights. This parcel is not eligible for acquisition with the FRPP grant money.

Bourdages asked the state program administrator if we would be permitted to substitute a different piece of property and was told that we may not, the second parcel, Ken Engle, has entered into a development lease for ‘shallow’ oil & gas exploration and production with Evergreen. There is not currently a well on the property, and the third parcel, the Send property has entered into a development lease for “shallow” oil & gas exploration and production with Evergreen.

The FRPP agreement contains this paragraph reflecting the program guidelines about what activities may and may not occur on lands protected using their funds: “Oil and Gas Exploration and Extraction – allowed if the method of extraction is from another parcel, or is limited in the number of wells (one per farm or ranch on farms and ranches under 320 acres and one per 320 acres for farms and ranches larger than 320 acres) Both the Send and Engle properties have developmental rather than non-developmental leases on them, meaning that the landowners have granted the oil & gas companies the right to place a well or wells on their land and also each property is under 320 acres in size, so it would be limited to 1 well both by this program and state laws regarding these matters. Bourdages said if we cannot solve this problem showhow before March 31, we will likely have to abandon this 2010 FRPP grant. This would reduce the amount of land we could proceed to protect at this time.

Jocks is in contact with representatives from Trendwell Energy to see if they would be willing to subordinate their oil and gas leases to the FRPP program. On the Engle parcel Jocks is trying to find a contact for Chesapeake, and Bourdages and McDonough are continuing their dialogue with the individual downstate who administers this grant program for Michigan.

Bourdages said if we can’t resolve these issues in a way that enables use of the FRPP grant prior to March 31 there are some decisions that the Board of Trustees may need to make in the near future. Some of these recommendations are:

1. **Are we prepared to proceed with acquisition of development right on one or more of the planned properties at this time without use of the FRPP funds, using only millage funds?** The advisory said No, we would want at least 1:1 match using other funds.
2. **If we can only acquire some the properties in question, which one(s) should be at the top of the list?** The advisory said the ones the conservancy can provide match for.
3. **If we may not or cannot use the 2010 FRPP grant by March 31, does the township wish to apply to replace these funds in the 2012 FRPP grant cycle?** The advisory said if we can identify the right property with the right mineral rights situations.

Adjourned at 11:00 am