



**CITY OF WALLED LAKE
REGULAR COUNCIL MEETING
TUESDAY, JULY 21, 2015
7:30 P.M.**

The Meeting was called to order at 7:30 p.m. by Mayor Ackley

Pledge of Allegiance led by Mayor Ackley

Invocation led by Mayor Pro Tem Robertson

ROLL CALL: Mayor Ackley, Mayor Pro Tem Robertson, Council Member Ambrose, Council Member Loch, Council Member Owsinek, Council Member Sturgeon, Council Member Yezbick

ABSENT: Council Member Yezbick

There being a quorum present, the meeting was declared in session.

OTHERS PRESENT: City Manager Whitt, Police Chief Shakinis, Finance Director Coogan, City Attorney Vanerian, Deputy City Clerk Stuart and Confidential Assistant Rodgers

CM 07-01-15 MOTION TO EXCUSE COUNCIL MEMBER YEZBICK FROM TONIGHT'S MEETING

Motion by Robertson, seconded by Ambrose, CARRIED UNANIMOUSLY: To excuse Council Member Yezbick from tonight's meeting.

REQUESTS FOR AGENDA CHANGES: None

APPROVAL OF MINUTES:

CM 07-02-15 APPROVAL OF THE JUNE 2, 2015 REGULAR COUNCIL MEETING MINUTES

Motion by Ambrose, seconded by Sturgeon, CARRIED UNANIMOUSLY: To approve the June 2, 2015 Regular Council Meeting Minutes.

AUDIENCE PARTICIPATION:

Audience Participation Rules and Regulations read into record by Deputy Clerk Stuart.

Rick Gunther, 486 E. Walled Lake Drive - said he has concerns with an individual who feels they can moor their boat in his back yard. He said he has asked Ordinance Officer to address

this. He said he is imploring Council to do something about this. He provided a handout to Council.

City Manager Whitt said if in fact there is an ordinance violation it will be addressed.

Wesley Goff, 1674 Bolton - said he has lived in the City for fifty-two (52) years. He said he feels it is time for the City to get a rental ordinance passed. He said there is a house at 1671 Bolton which is across the street from him that has everything in their driveway. He has spoken to the Ordinance Officer. He said if he were to sell his home, who would buy it. He said Council needs to create an ordinance to address these vacant homes. He provided pictures for Councils reviews.

City Manager Whitt said the Fire and Police Departments will look into the home.

1. Wixom/Walled Lake Lions Club

Ms. Wendy Kuechle, President of the Wixom/Walled Lake Lions Club was present with two other Lion members, Mr. DeCourcy and Mr. Keegley. Ms. Kuechle presented the Police and Fire Department with donations in the amount of \$250 each. Interim Fire Chief Coomer said the department purchased smoke detectors for residents with last year's funds. She also presented Hospitality House with a check for \$250.

COUNCIL CONSIDERATION:

1. Swearing in of Police Officer Austin Nash

The ceremonial swearing in of Police Officer Austin Nash and welcome by Council was performed.

2. Lot Split for 118 and 122 Coalmont – Michael Maurer

Confidential Administrative Assistant Rodgers stated the lot split was reviewed and denied because it would create non-conforming lots. She said by the rules of the Planning Commission, denied applicants may appeal to City Council. Discussion was had with applicants about what each will be adding to their lots when the split occurs. Mr. Maurer explained 122 Coalmont is providing 22 feet to add to his lot at 118 Coalmont. He said he is really excited about it this will give him an opportunity to improve his lot and provide a new look.

City Manager Whitt said Administration does not object to the lot split.

Mayor Pro Tem Robertson said this is a lot split and lot combination. He asked if there would be remaining green space. Deputy Clerk Stuart explained the combination will be handled administratively and only the non-conforming split requires Council approval.

Mayor Ackley commented she would like to see the specific lots and their dimensions noted, what is being taken from one lot to be added to the other lot. Council Member Owsinek said the McKenna Associates letter dated June 1, 2015; page 2 outlines the change which is page 23 of the 63 page council packet.

**CM 07-03-15 MOTION TO APPROVE LOT SPLIT FOR 122 COALMONT AND
REFERENCE PAGE 23 OF THE COUNCIL PACKET
REFERRING TO THE MCKENNA ASSOCIATES REVIEW
LETTER DATED JUNE 1, 2015**

Motion by Robertson, seconded by Ambrose, CARRIED UNANIMOUSLY: To approve lot split for 122 Coalmont and reference page 23 of the council packet referring to the McKenna Associates review letter dated June 1, 2015.

City Manager Whitt said Mr. Maurer has also made an application to serve on the Planning Commission. He is an engineer and graduated from Michigan State and he recommends Mr. Maurer be considered for appointment.

MAYOR'S REPORT:

Mayor Ackley thanked the firework committee present at tonight's meeting she said the show was great.

COUNCIL REPORT:

Council Member Ambrose said the Walled Lake Improvement Board met and hosted a public hearing and special assessment roll was approved. He said there would possibly be some reduction in the amounts of the assessments, they are waiting for the costs from the company hired to do the clean-up of the lake. He said the main reason for the signage currently around the lake is to prevent people from disturbing the pellets in the water for treatment of the weeds.

CITY MANAGER'S REPORT:

1. Monthly Departmental / Division Statistical Reports

**CM 07-04-15 MOTION TO RECEIVE AND FILE THE MONTHLY
DEPARTMENTAL DIVISION & STATISTICAL REPORTS**

Motion by Owsinek, seconded by Robertson, CARRIED UNANIMOUSLY: To receive and file the monthly departmental division and statistical reports.

2. Lawsuit – Bailey Xenos Holdings, LLC

City Manager Whitt said for reasons of transparency the lawsuit was added to agenda. The copy of the lawsuit is a matter of public record. He said the Council should not open discussion on this item as it is in litigation; discussion will take place in executive session.

CM 07-05-15 MOTION TO RECEIVE AND FILE THE BAILEY XENOS HOLDINGS, LLC LAWSUIT DOCUMENT

Motion by Owsinek, seconded by Robertson, CARRIED UNANIMOUSLY: To receive and file the Bailey Xenos Holdings, LLC lawsuit document.

CORRESPONDENCE:

1. Letter from Ruth Ann Petres

Read into record by Deputy City Clerk Stuart

June 22, 2015

Dear City Council Members,

I am writing this letter to address the discussion at your June City Council Meeting regarding the issues of boating privileges for East Bay Village Condo residents. I have three issues that I observed during the meeting. As I sat through it, it occurred to me that the City seems to have no problem drawing tax revenue from more than 280 condos for lake front privileges, but at the same time restrict lake usage. It seems to me that if this is the final decision of the Council, then perhaps there should be a tax reduction on our city taxes.

In addition, at the meeting when you call on people from the audience by first name to come up and speak about their objections to 16 boat slips, it's disturbing that you call them by first name. This seems biased and prejudicial when it comes to making decisions democratically.

My third concern is that as I walk along the lake and streets off from East Bay Drive, the Council seems to have no problem allowing 150+ homes that off shoot the lake to have full boating privileges with docks at the end of streets. This seems like a double standard to me – approval for one group but not another.

I hope that you will reconsider as you deliberate your decision, as this impacts all of us equally living near the lake.

Respectfully,

Ruth Ann Petres

*Ruth Ann Petres
408 Old Pine Way
Walled Lake, MI 48390*

ATTORNEY'S REPORT:

1. Freedom of Information Act (FOIA)

City Attorney Vanerian prepared a summary of the new FOIA law as it was comprehensibly amended. He said the adoption of the new written policies and procedures is typically addressed administratively. He said when Council is interested in implementing his office is more than willing to assist.

City Manager Whitt said this will be handled administratively.

2. Mooring/Docking Boats of East Bay

City Attorney Vanerian said he was requested by Council to review the current Fifth Amendment East Bay Village Planned Unit Development (PUD) regarding mooring of watercraft at the lakefront. He said East Bay is requesting the PUD amendment to allow boat slips, twenty-four (24) in total. He said one of issues reviewed specifically was whether or not state approval was required. He said creation of a marina does require a construction permit from the Department of Environmental Quality (DEQ). He said there have been changes to part 301 of this requirement and he has provided three options for Council. He said the attorney for East Bay was present at tonight's meeting and that East Bay is requesting a postponement of any decisions from Council in order to research the requirements from the DEQ. He said East Bay is requesting an additional two months to obtain further information. He said it is up to Council to postpone or move forward.

07-06-15 MOTION TO POSTPONE TO ALLOW EAST BAY VILLAGE TWO MONTHS TO OBTAIN FURTHER INFORMATION TO BRING TO COUNCIL

Motion by Owsinek, seconded by Loch, CARRIED UNANIMOUSLY: To post pone to allow East Bay Village two months to obtain further information to bring to Council.

3. Executive Session to discuss three pending litigations

07-07-15 MOTION TO ENTER INTO EXECUTIVE SESSION TO DISCUSS THREE PENDING LITIGATIONS

Motion by Robertson, seconded by Owsinek, CARRIED UNANIMOUSLY: To enter into executive session to discuss three pending litigations.

Roll Call Vote:

Yes: (6) Ambrose, Loch, Owsinek, Sturgeon, Robertson, Ackley
No:(0)
Absent: (1) Yezbick
Abstain: (0)

(7-0) UNANIMOUSLY CARRIED

UNFINISHED BUSINESS: None

NEW BUSINESS:

1. Proposed Resolution 2015-21 Oakland Livingston Human Services Agency

**CM 07-08-15 MOTION TO APPROVE RESOLUTION 2015-21 OAKLAND
LIVINGSTON HUMAN SERVICES AGENCY**

Motion by Sturgeon, seconded by Loch, CARRIED UNANIMOUSLY: To approve Resolution 2015-21 Oakland Livingston Human Services Agency.

2. Proposed Resolution 2015-22 Assignment Agreement with City of Detroit and Great Lakes Water Authority

City Attorney Vanerian said he reviewed agreement with the new Great Lakes Water Authority (GLWA); this new assignment agreement does not contain any changes and the City would continue to receive the same benefits as from the Detroit Water Sewer Division (DWSD) and he has no objection to the resolution.

**CM 07-09-15 MOTION TO APPROVE RESOLUTION 2015-22 ASSIGNMENT
AGREEMENT WITH CITY OF DETROIT AND GREAT LAKES
WATER AUTHORITY**

Motion by Owsinek, seconded by Robertson, CARRIED UNANIMOUSLY: To approve Resolution 2015-22 Assignment Agreement with City of Detroit and Great Lakes Water Authority.

3. Proposed Resolution 2015-23 Lakes Area Youth Assistance Agency

**CM 07-10-15 MOTION TO APPROVE RESOLUTION 2015-23 LAKES AREA
YOUTH ASSISTANCE AGENCY**

Motion by Loch, seconded by Owsinek, CARRIED UNANIMOUSLY: To approve Resolution 2015-23 Lakes Area Youth Assistance Agency.

4. Proposed Resolution 2015-24 Water and Sewer Usage Rates and Capital Maintenance Rates

Mayor Ackley said she has one comment, she would like the resolution voted on tonight but wait for two months to implement so residents can be given more than one notice. Deferring the implementation will allow notice of the increase to be placed on the next two water statements; August and September.

Finance Director Coogan said last time the rates were increased was 2010. She said since that time the City has seen DWSD water rates increase by well over 10% and effective July 1, 2015 the City's budgeted water costs have increased an additional 14%. She said the GLWA is committed to capping any further increases to 4%.

City Manager Whitt said the increase is a pass through cost and any delay will simply mean the City will be absorbing the loss.

CM 07-11-15 MOTION TO APPROVE RESOLUTION 2015-24 WATER AND SEWER USAGE RATES AND CAPITAL MAINTENANCE RATES AND DELAY THE BILLING TO START IN THE MONTH OF OCTOBER FOR SEPTEMBER USAGE

Motion by Sturgeon, seconded by Robertson:

DISCUSSION

DDA Chairman Ambrose asked how much the City would be absorbing if the rate increase was delayed. Finance Director Coogan said it would be approximately \$40,000 a month. Council Member Ambrose said Council is doing everything they can in the best interest of the City as a whole and Council held off on raising rates until the final amount of the increase from Detroit for this year.

Council Member Sturgeon agreed with Council Member Ambrose that the Council is acting in the best interest of the residents; he said however, he agrees with Mayor Ackley and he feels the two month notice would be a correct way to notify the residents of what is coming.

Council Member Ambrose asked what the average household cost increase would be. Finance Director Coogan said it is dependent on the usage but could be anywhere from 15% to 35% increase for all water and sewer costs combined. She said Council is easing in the water cost increase over 5 years but is passing through all sewer costs immediately.

Council Member Owsinek said this is what the plan has been from the beginning. The Finance Director explained that the City has not been raising rates to its residents each time the DWSD increased their rates to the City. She said in retrospect it was a good move on Council's part because there was so much turmoil over at DWSD, however the new management under the

GLWA has now settled in, there is some stability and they have a good rate settling methodology in place and a commitment to cap future increases at 4%.

City Manager Whitt said he is in support of the Mayor's option.

Mayor Pro Tem Robertson asked if a compromise would work between a one and two month notice.

Council Member Ambrose said the Council needs to do their due diligence of notifying the public. Finance Director Coogan said a notice would be on the water statements. Mayor Ackley suggested placing on the marquee and possibly a news article.

Council Member Owsinek said the water rate increase has been all over the news with what has been occurring in Detroit. He said the papers have run extensive articles about the rate increase for the outlying suburban communities. He said he feels it is a known fact. He does not support the delay in implementing the new rates and feels a one month notice will give the City residents ample time to adjust.

Council Member Loch said she agrees with Mayor Ackley, she said she prefers two months' notice to give residents ample time to prepare. She said Council has not raised the rates in a very long time; the City has been absorbing the DWSD rate increases and so our residents may not be expecting the rates to be passed through.

Council Member Ambrose said the City has done their due diligence in buying a backup meter to see how much water the City is actually purchasing from Detroit and then demanded that Detroit correct its equipment to stop the overcharging for water.

City Manager Whitt explained this does not have to do with tax payers but with water & sewer users.

Mayor Pro Tem Robertson called vote to question.

**CM 07-12-15 MOTION TO APPROVE RESOLUTION 2015-24 WATER AND
SEWER USAGE RATES AND CAPITAL MAINTENANCE RATES
AND DELAY INCREASE RATE TO BEGIN BILLING THE
MONTH OF OCTOBER FOR SEPTEMBER USAGE**

Roll Call Vote:

Yes: (6) Ambrose, Loch, Sturgeon, Robertson, Ackley
No: (1) Owsinek
Absent: (1) Yezbick
Abstain: (0)

(5-1) MOTION PASSED

5. Proposed Resolution 2015-25 SMART Fiscal Year 2016 Contract for Reimbursement of Expenditures

Finance Director Coogan said the maximum amount that the City can receive in reimbursement is \$125, 344.

Motion by Sturgeon, seconded by Loch, CARRIED UNANIMOUSLY: To approve Resolution 2015-25 SMART Fiscal Year 2016 Contract for Reimbursement of Expenditures.

AUDIENCE PARTICIPATION: None

COUNCIL COMMENTS:

Council Member DDA Chairman Ambrose thanked the efforts for the fireworks and Walled Lakes were great.

Council Member Owsinek thanked the Police and Fire Department for their efforts during the fireworks.

CM 07-13-15 BILLS FOR APPROVAL

Motion by Robertson, seconded by Loch, CARRIED UNANIMOUSLY: To authorize the Treasurer to make disbursements and transfers on Warrant #7-2015 in the amount of \$866,293.09 this being the best interest of the City.

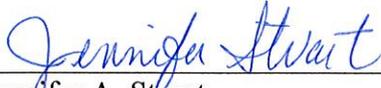
Entered into executive session at 8:56 p.m.

Exited executive session at 9:43 p.m.

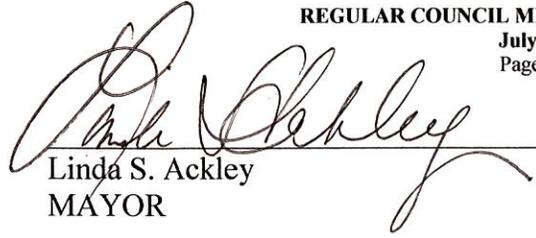
CM 07-14-15 MOTION TO DIRECT THE CITY ATTORNEY AND THE CITY MANAGER TO MOVE FORWARD WITH THE LITIGATION IN THE CASE OF BAILEYS XENOS HOLDINGS LLC. VS CITY OF WALLED LAKE CASE NUMBER 2:15-CV-12125-LJM-RSW AS DISCUSSED IN EXECUTIVE SESSION

Motion by Owsinek, seconded by Robertson, CARRIED UNANIMOUSLY: To direct the City Attorney and the City Manager to move forward with the litigation in the case of Baileys Xenos Holdings LLC. Vs City of Walled Lake case number 2:15-CV-12125-LJM-RSW as discussed in executive session.

Meeting adjourned 9:44 p.m.



Jennifer A. Stuart
DEPUTY CITY CLERK



Linda S. Ackley
MAYOR