

CHARTER TOWNSHIP OF WHITE LAKE

Approved Minutes of the Regular Board of Trustees Meeting

February 19, 2013

Supervisor Baroni called the meeting to order at 7:00 p.m.

Supervisor Baroni led the Pledge of Allegiance.

Clerk Lilley called the roll:

Present: Gregory Baroni, Supervisor
Terry Lilley, Clerk
Mike Roman, Treasurer
Carol Burkard, Trustee
Rik Kowall, Trustee
Scott Ruggles, Trustee
Andrea Voorheis, Trustee

Also Present: Greg Need, Attorney
Jason Iacoangeli, Planning Director
Amy Bertin, Recording Secretary

PUBLIC COMMENTS

Matt Sprader, 64 Grandview Circle. He is owed a \$4700 refund from his sewer hook up. Clerk Lilley thinks refunding his money is a joke. He'd like his money back.

Thomas Johnson, 9136 Buckingham. There is an FYI on the Agenda concerning Iron Filtration. Some highlights from that study include the possibility of buying water from Waterford Township for \$800,000. There is a proposal for White Lake to put in their own filtration systems in two phases. Phase 1 will cost \$2.9 million and Phase 2 is \$80,000. These sound like big numbers. If we manage our own supply, the original cost to start up is higher, but improving the water ourselves will ultimately keep our bills down. It will be less of a battle getting people to hook up. This is something the township needs to look at closely. There has not been a rate increase in the water system to the customers in ten years.

A.J. Jensen, 8047 Trenton Drive. Keep the infrastructure here with water. The technology with the iron filtration needs to move forward. You need to give the Water Director the latitude to make the right decisions to make the water safe. You can't sell water that looks like orange juice. Half of it is palatability. The numbers sound large but spread over all the water residents it is insignificant.

Keith Dunsmore, 350 Rosario Lane. He would like to support anything we can do to remove rust from our water. He would not like us to buy water from Waterford Township. He has great admiration for the White Lake Police officers and how they conduct themselves in the court system. They are very professional. He would even be in favor of adding to the department.

Randy Hebert, 10281 Cedar Point. One of the main issues of the last election was to bring some exposure of the operation of this Township Board to the people of White Lake Township who are not in attendance. A couple of options mentioned were live internet streaming or cable TV. Can this Board make that happen, and if so, when?

Todd Birkle, 332 Rosario Lane. The bond payment is due this month on the sewer system. Is there an item on the agenda to discuss it? A lot of the current board members ran for election on transparency and being open and keeping the public informed, and just listing this issue as a budget amendment on the agenda is not keeping the public informed.

Supervisor Baroni recognized and thanked Pastor Ken Fouty of Calvary Lutheran Church. He and a group of volunteers organized the White Lake Township Community Garden. It has been in existence since 2010. The first year 1200 lbs. of vegetables were picked and sent to Open Door of White Lake. The second year yielded 2500 lbs. They are now in the fourth year and helping an awful lot of folks in White Lake who need food.

Clerk Lilley added a new List of Bills to the Agenda minus the DEQ storm water discharge permit. Also, as an FYI for the Board members and the citizens, according to the Michigan Township Association, there is a great movement in Michigan to reallocate funds for road improvement. There is a good possibility that rather than money going to the schools and our constitutional revenue sharing that we get that they may try to take some of that gas tax away from us.

CONSENT AGENDA

- A. LIST OF BILLS**
- B. REVENUE AND EXPENSES**
- C. DEPARTMENT REPORTS**
 - 1. TREASURER'S REPORT**
 - 2. COMMUNITY DEVELOPMENT**
 - 3. FIRE DEPARTMENT**
 - 4. POLICE DEPARTMENT**
 - 5. WATER DEPARTMENT**

It was **MOVED** by Trustee Burkard, **SUPPORTED** by Trustee Voorheis to approve the Consent Agenda. The **MOTION PASSED** by a voice vote (7 yes votes).

MINUTES

A. JANUARY 8, 2013

It was **MOVED** by Trustee Ruggles, **SUPPORTED** by Trustee Burkard to approve the Minutes for January 8, 2013. The **MOTION PASSED** by a voice vote (7 yes votes).

B. JANUARY 15, 2013

It was MOVED by Trustee Kowall, SUPPORTED by Trustee Ruggles to approve the Minutes for January 15, 2013. The MOTION PASSED by a voice vote (7 yes votes).

C. JANUARY 29, 2013

It was MOVED by Treasurer Roman, SUPPORTED by Trustee Kowall to approve the Minutes for January 29, 2013. The MOTION PASSED by a voice vote (7 yes votes).

PUBLIC HEARING

A. ESTABLISHMENT OF SPECIAL ASSESSMENT DISTRICT FOR ASPEN MEADOWS.

1. RESOLUTION #13-002

It was MOVED by Clerk Lilley, SUPPORTED by Trustee Burkard to Open Public Hearing on Establishment of Special Assessment District for Aspen Meadows. The MOTION PASSED by a voice vote (7 yes votes).

Bill Sinzheimer, 2221 Crested Butte Drive. He is president of the homeowners association at Aspen Meadows. This issue of creating an SAD was brought up from homeowners who came to the Board and said the second entrance into the subdivision is very dark and it is hard to see. The association board has voted to approve it and pay for the construction and installation. The SAD will pay for the yearly expense to run the light.

Jeanne Zukoff, 6559 Steamboat Springs. None of the residents of the subdivision have ever even heard of anybody going to the Board. We had to read about it in the paper. The second entrance is rarely used and we're not sure why the light is needed. It will just cause light pollution to the homeowners who are down in that area. She doesn't want to be taxed for something they don't want or need.

Andrew Tudor, 6750 Steamboat Springs. He agrees with the previous speaker. He was unaware that this was going on. It should also be considered how this would affect Grass Lake Road. It is considered a natural beauty road by the state. You are affecting the beauty of the road by installing a light.

Trustee Burkard questioned whether there were signatures obtained when the SAD was set up.

Mr. Sinzheimer stated the township assessor sent the petition form and said they might be required to get signatures but suggested to put it before the Board to see if it gets passed since it is no cost to the township. He collected 14 signatures one weekend approving it on his own but no official petition has been sent out.

B. CONFIRMATION OF SPECIAL ASSESSMENT ROLL FOR ASPEN MEADOWS

2. RESOLUTION #13-003

It was **MOVED** by Clerk Lilley, **SUPPORTED** by Trustee Voorheis to Table Items 7A & 7B, Establishment and Confirmation of SAD for Aspen Meadows until proper notification can be given to the residents of Aspen Meadows. The **MOTION PASSED** by a voice vote (7 yes votes).

NEW BUSINESS

A. BUDGET AMENDMENT

Trustee Burkard has researched this issue concerning the sewer fund and found other townships have had the same problem. The loan is legal as long as the Township Board approves a resolution outlining the terms of the loan, including the interest rate. Trustee Burkard will not be able to vote yes tonight as there is not a proper resolution outlining how the pay back is going to be, the interest rate or anything except in the future we will figure it out. It is putting the cart before the horse. A sewer authority or committee should be set up so people could have good representation.

Clerk Lilley stated that there has been a great amount of discussion of how the sewer has evolved over five different administrations. The issue before the Board tonight is simple are we going to loan the fund a sufficient amount of money for the treasurer to make the 2013 bond payments. Resolution #13-006 was given to the Board members this evening and read into the record. There is an urgency to get this done.

Mike Powell, 4700 Cornerstone Drive. Being a previous board member, he knows that granting a loan to the sewer fund for future repayment ended up being a grant to the sewer fund and has never been paid back. Also, for the past eight years the township is supposed to have had meetings with Commerce Township to renegotiate the agreement and bring the costs down. The township must provide a loan to the sewer fund but as a tax payer he disagrees with doing it hastily without the terms of that repayment in writing now so that it doesn't slip through the cracks.

Mr. Johnson is sorry for the people who inherited this problem. It has gone on for a long time. This is not the fault of this existing Board at this time.

Irene Jacobs, 2020 Kingston. Her sewers are paid for. At the end of the year while she is making wedding and vacation plans, is she going to get hit with a bill for a sewer that has already been paid for? Before a loan is made, she'd like to know if the citizens are paying it back or is it a grant. Where is the money going to come from to get the money back to the township?

Curt Martin, 2245 Wigen. The money needs to be paid. Is there a way you can change the resolution to read there will be a board set up to determine where the money is going to be repaid from?

Clerk Lilley is against taking somebody who has no responsibility and putting them on a board to make these types of difficult decisions. The people that are most held accountable are the elected officials of White Lake. Ms. Burkard was on the Board in 2004 and as the Clerk had a responsibility not to push the issue off. There is plenty of documentation and have been plenty of discussions to show back in 2004 this was a real problem. This has been no secret. All he can do is explain the history of how this came about. Everybody knew there were shortfalls which were not calculated in both the Phase I Project and the Pontiac Lake Project but did nothing to figure out then how to cover the additional charges.

Trustee Burkard does not want to point fingers; she wants to settle the issue. There has never been a report from Bendzinski, the financial people who set up the SAD, the auditors or the lawyers stating this is my recommendation. They will be coming to the Township on Feb. 26th. This is due in March. Why not just hold a special meeting after the 26th to get this settled. It is wrong to say in 2004 she herself could have stopped this. Many times in the past few years she and other board members brought up the situation. Her vote is no because she doesn't have all the information on the resolution. Trustee Burkard is trying to protect the citizens and is not putting her name to anything unless she knows what she is signing, period.

Mark DeGroff, 9776 Bonnie Briar. The can has been kicked down the road for a long time. People don't know that they can hook up to the system. He would like to see a committee or board whose purpose is to set up systems and incentives to get people to hook up. We can battle the deficit by taking an active measure in doing that.

Ray Brown, 9000 Tackles Drive. If you intend to pull money from the general fund, was that money slated for something else and will there be other programs harmed by the fact you are pulling money from it?

Alana Kobus, 9536 Thames. Everybody knows there is a big problem and we have to solve it somehow. She wants to know what the plan is. Come up with a plan before you take money out of that general fund.

Matt Sprader, 64 Grandview Circle. He is glad for the new board members. They can make it happen. We've been talking about sewers for the last two years, and he's amazed that the sewer director, Mike McAdams, has not been present.

Mr. Johnson. Some of these people paid their sewers off totally. They thought they were free and clear. There have been houses sold and the previous owner had to pay it off and the new owner came in thinking they were free and clear. For you to say, your debt is paid but

now you've got to come up with some more money, this is something you'll have to consider.

Treasurer Roman is sure that everyone knows what the problem is today and the huge task the Board faces. The residents deserve a resolution. He asked all the Board members to give him options as far as how the loan will be repaid and a few wanted to meet with legal counsel and engineers. He is asking the Board members to commit to coming up with a resolution to this issue on or before the next Board meeting.

Clerk Lilley expressed that the path to follow is to pass the appropriate resolution tonight, giving the supervisor authority to pay the bonds. On the 26th we will be meeting with the professionals to talk about options. We need some input from our professionals as far as what is legal and not. He would be happy to have future meetings to make sure everyone is informed.

Trustee Kowall stated it would be a cold day in hell before he voted to let anybody go back and reassess you. You paid for it. When the project was done, there were some shortfalls. That would have been the time to deal with it. Without Phase 1 there would be no Pontiac Lake. But to go back and assess you for that is wrong and he will not support any action of that whatsoever.

Mr. Birkle. One suggestion he has is to consider hiring an independent auditor to take a look at this fund. Nobody has defined the cash problem. Not only do you have the debt of the fund, you also have a maintenance fund on the system that is inadequate.

Sandy Fitzpatrick, 9661 Bonnie Briar. This was a huge topic tonight and it was titled, Budget Amendment. In the effort of being transparent, can you tell us when you're going to be discussing the sewer system since it affects so many different people?

Don Maniaci, 2284 Hampton. What are the ramifications if you don't make this payment in March?

Trustee Kowall replied it would be a default on a bond. It is a black eye on anyone who borrows it. It goes against your rating, against the community for any future projects that might come up. If we don't pay this, it is like getting a bad credit report impairing the Township's ability to borrow for future projects.

Resident. We just ask if you have future meetings regarding the sewers, let us know. Please don't hide it.

Treasurer Roman has been in touch with Mr. DeGroff monthly. If and when any sewer discussions come up, he'll make sure Mr. DeGroff knows.

Monica Hatfield, 9471 Bonnie Briar. If it hadn't been for Mark, this resolution probably would

have gone through and none of us would have known about it. Transparency is not this Board's forte. If this is through the general fund, why does it have to be a loan? Why can't it just be paying off the bonds and then get a financial manager in here and come up with a plan how you're going to start refunding the general fund?

Treasurer Roman agreed that is an option. What this resolution is doing is paying off one of those bonds.

Elmer Cerano, 9595 Bonnie Briar. He agrees with the comment that it seems like the same pants, different pockets. You can simply spread the cost over the entire tax base, not just the people on Pontiac Lake. The real issue is growing the system to build the revenues for it. It has been said that the people of Pontiac Lake are going to get a bill for another \$1900 for something they paid for ten years ago.

Trustee Kowall just addressed that issue. That is not going to happen as far as he is concerned. When sewer systems are set up, they are paid for by the users. As a tax payer in White Lake Township, why should he be hit with an expense for something that benefit's a select group of people? The township benefits from sewers as a whole. It attracts future commercial developments which keeps the tax base in the community up.

Mike Fitzpatrick, 9661 Bonnie Briar. This is an astronomically expensive sewer system. He owns property in Waterford and we pay 100 percent more for sewage usage than they do. We need to negotiate with Commerce to get that reduced.

Mr. Johnson spoke with a previous supervisor about creating a DPW division in the township. Now that we are in this position, are we to the point where we can have a division that will oversee things like this to protect people in the future?

Sandra Fitzpatrick, 9673 Bonnie Briar. She questioned whether anyone could explain the different fees listed on her bill.

Treasurer Roman responded that she left him a copy of her bill; he would consult the Sewer Director and get back to her.

Resident. The biggest problem here is the fact that nobody has been informed. Is it possible to add something to the web site that would allow people to be notified of such things or a mailing list of people that are affected?

It was MOVED by Treasurer Roman, SUPPORTED by Trustee Kowall to approve Resolution #13-006, loaning of funds from the General Fund to the Phase I Sewer Fund. The MOTION PASSED by a roll call vote (Baroni-yes/Kowall-yes/Burkard-no by reason Resolution #13-006 doesn't have the terms of the loan outlined, nor the interest rate. Experts are coming in the

26th of February and the payoff can still be done in a timely manner without penalty in March/Lilley=yes/Ruggles=yes/Voorheis=yes/Roman=yes).

B. CLEANING, INSPECTION AND REPAIR OF WATER TOWER

It was MOVED by Clerk Lilley, SUPPORTED by Trustee Burkard to approve the Cleaning, Inspection, and Repair of Water Tower. The MOTION PASSED by a voice vote (7 yes votes).

C. PRELIMINARY SITE PLAN APPROVAL FOR MCDONALDS

It was MOVED by Clerk Lilley, SUPPORTED by Trustee Burkard to approve the Preliminary Site Plan Approval for McDonald's, recommending the plan be approved contingent upon a variance being obtained to reduce the parking space requirements and the parking limitation along the east side of the site. The MOTION PASSED by a voice vote (7 yes votes).

D. FENCE PURCHASE FOR BALL FIELDS

It was MOVED by Clerk Lilley, SUPPORTED by Treasurer Roman to approve the amount of \$2680 for Fence Purchase for Hidden Pines Ball Field. The MOTION PASSED by a voice vote (7 yes votes).

E. EQUIPMENT PURCHASE, 6 IPADS FOR FIRE DEPARTMENT

It was MOVED by Clerk Lilley, SUPPORTED by Trustee Kowall to approve the Equipment Purchase of 6 I pads for Fire Department. The MOTION PASSED by a voice vote (7 yes votes).

F. WEAPONS AND ACCESSORY PURCHASE, POLICE DEPARTMENT

It was MOVED by Clerk Lilley, SUPPORTED by Trustee Kowall to approve the Weapons and Accessory Purchase for the Police Department using drug forfeiture funds. The MOTION PASSED by a voice vote (7 yes votes).

G. RESOLUTION #13-005 REGARDING ABANDONED PORTION OF FISK ROAD

It was MOVED by Clerk Lilley, SUPPORTED by Trustee Ruggles to approve Resolution #13-005, regarding the abandoned portion of Fisk Road subject to Gershenson Realty and Investment paying all the Township costs including its legal fees incurred regarding this Resolution. The MOTION PASSED by a voice vote (7 yes votes).

H. FIRST READING, ORDINANCE NO. 88 (EXCAVATION AND EXTRACTION)

It was MOVED by Clerk Lilley, SUPPORTED by Trustee Burkard to move to Second Reading, Ordinance No. 88 (Excavation & Extraction). The MOTION PASSED by a voice vote (7 yes votes).

I. FIRST READING, ORDINANCE NO. 132, CEMETERY ORDINANCE

It was MOVED by Clerk Lilley, SUPPORTED by Treasurer Roman to move to Second Reading, Ordinance No. 132, Cemetery Ordinance. The MOTION PASSED by a voice vote (7 yes votes).

J. RESOLUTION #13-004, SUPPORT OF MENTAL HEALTH SERVICES

It was MOVED by Clerk Lilley, SUPPORTED by Trustee Kowall to approve Resolution #13-004, Support of Mental Health Services. The MOTION PASSED by a voice vote (7 yes votes).

FYI

A. FEASIBILITY STUDY FOR IRON FILTRATION

EXECUTIVE SESSION

**A. APPROVAL TO RECESS INTO CLOSED SESSION TO CONSIDER
ATTORNEY/CLIENT PRIVILEGE PURSUANT TO SECTION 8 OF THE OPEN
MEETINGS ACT.**

It was MOVED by Treasurer Roman, SUPPORTED by Trustee Burkard to adjourn into Executive Session. The MOTION PASSED by a roll call vote (Kowall-yes/Voorheis-yes/Ruggles-yes/Burkard-yes/Roman-yes/Lilley-yes/Baroni-yes).

The meeting was adjourned into Executive Session at 9:06 p.m.

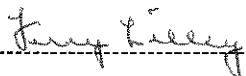
It was MOVED by Clerk Lilley, SUPPORTED by Trustee Kowall to return to General Session. The MOTION PASSED by a voice vote (7 yes votes).

It was MOVED by Clerk Lilley, SUPPORTED by Trustee Ruggles to proceed with attorney recommendations. The MOTION PASSED by a voice vote (7 yes votes).

It was MOVED by Trustee Kowall, SUPPORTED by Trustee Voorheis to adjourn the meeting. The MOTION PASSED by a voice vote (7 yes votes).

Meeting adjourned at 9:52 P.M.

I, Terry Lilley, the duly elected and qualified Clerk of the Charter Township of White Lake, County of Oakland, State of Michigan, hereby certify that the foregoing is a true copy of the February 19, 2013 regular board meeting minutes.

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Terry Lilley, CMC
White Lake Township Clerk