#### WALLED LAKE LAKE IMPROVEMENT BOARD MEETING MINUTES May 20, 2010

The meeting of the Lake Improvement Board for Walled Lake was held at the Novi Civic Center at 45175 W. 10 Mile Road on May 20, 2010. The meeting was called to order by Dave Galloway, Chairman, at 7:08 p.m.

Present: Dave Galloway, Chairman and Riparian Representative Brian Coburn, Secretary-Treasurer, City of Novi William Burke, City of Walled Lake Jeff Potter, Oakland County Board of Commissioners Representative Karen Warren, Oakland County Water Resource Commissioner's Office

Also

Present: Glenn Lemmon, City Assessor—Novi Marjorie Bixby, Deputy City Assessor—Novi John McCarthy, Oakland County Equalization (representing Walled Lake) Mark Roberts, Attorney, Secrest Wardle

At Public Comment on Items not on the Agenda, 14 individuals addressed the Board regarding the petition that is being circulated to dissolve the Lake Board, the benefit received by back lot owners for the lake improvement, a request for the two cities to find money in their budgets to complete the project without an assessment, the impact of fertilizer use on the lake, the impact of the project on the fishing, zebra mussels impact on the lake, request for the board to move forward with the project, request for the board to do more research before moving forward, questions about the petitions used at the beginning of the process, question about the timing of the project and impact of assessment on residents, concerns about the chemical treatments, question about the public hearing notification requirement, and request for the board to investigate weevils as a treatment option.

## Moved by Potter, Supported by Burke; CARRIED UNANIMOUSLY: To approve the Minutes of March 25, 2010.

## Moved by Potter, Supported by Coburn; CARRIED 4-0 with one abstention, Warren: To approve the Minutes of May 11, 2010.

Secretary-Treasurer Coburn presented bills for payment to: City of Novi; Spinal Column Newsweekly (Invoice Nos. S1813180, S1821300; S1821660), Secrest Wardle (Invoice Nos. 1198609, 1199449, 1200500) totaling \$6,171.34.

# Moved by Potter, Supported by Coburn; CARRIED UNANIMOUSLY: To approve payment of Bills.

At discussion of Rules for Public Hearing and Public Comment, Mr. Coburn recommended that the last comment period be designated for questions and answers in a more informal manner. Mr. Burke stated that at the meeting on May 11, 2010 with the Walled Lake City Council, he felt that when people were allowed to participate in a more informal setting, the meeting seemed to have a better flow; Mr. Potter agreed.

Moved by Potter, Supported by Coburn; CARRIED UNANIMOUSLY: To modify the rules for the public hearing to make the last public comment a question and answer session.

Mr. Galloway gave a brief summary of the background of the lake board process thus far. He stated that there was a \$130,000 budget for this year, which had been reduced from \$136,000 by taking out education of the public and asking the homeowners associations to do that. The budget for the remaining years was \$97,000.

Glenn Lemmon, Novi's Assessor, introduced John McCarthy from Oakland County Equalization Division acting for the City of Walled Lake.

Mr. Lemmon stated that in the assessment roll, they had included: 1) lake access and deeded access; 2) had brought forth assessment roll that had parcels that touched the lake and had been given 45 days to add backlots; there were now no orphan lots left; 3) previously he had set an interest rate at six percent but this time had set no interest rate, except if delinquent; 4) backlot owners were assessed at 0.1 unit of benefit; 5) in this situation, the City of Novi had reduced its contribution to \$30,000 from \$45,000 and with the inclusion of backlot parcels, the assessors had added 700 more parcels, which made the final per unit cost to be \$1,083 per unit of benefit for the 5 year assessment. He further dated that they have examined all parcels where a house may straddle a parcel boundary and in those cases there would only be an assessment for the one parcel.

Mr. Galloway asked why Novi had reduced its contribution; Mr. Lemmon replied that the City had wanted to make contribution to account for parcels that were of unknown ownership that could be serving as access lots for the back lot parcels. Once the back lot parcels were included the City drew back to cover the Landings property and Lakeshore Park and a few other parcels owned by the City.

Mr. Potter stated that the assessment for the back lot owners is higher for other lake boards based on his discussions with Commissioner Bullard. He asked Mr. Lemmon what criterion was used by the Assessors to determine the 0.1 unit of benefit. Mr. Lemmon responded that he is looking for direction from the Board as to the appropriate assessment for the back lot owners.

Mr. Potter asked how a change could be made to the roll if an error is found and how the per unit benefit could be changed in the coming years; Mr. Roberts responded that it could be done through several ways at a later point. Mr. McCarthy stated that at a previous meeting he had said that errors could be stipulated by both parties at tax tribunal and that could save the delay in fixing an error under that method.

Mr. Galloway opened the public hearing for public comment.

Mr. Coburn reported that the board had received six letters in response to the public hearing.

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#### At Public Comment, the following people spoke:

**Ken Holmes,** 905 E Walled Lake Dr, said that everyone benefitted when improvements were made; everyone that uses the lake receives a benefit and thinks that lakefront owners and back lot owners should pay the same amount.

**Joe DeBrincat,** 1339 E Lake Dr., wanted to discuss a statement from public comment about the tax-deductible nature of the assessment but was requested to save his statement for the last comment session since it did not apply to the specific topic of the public hearing.

**Pete Carolan**, 835 Bluffton, said he would be in favor of paying the assessment if the weevil approach is used but not for chemical treatment.

**Sandra Carolan**, 835 Bluffton, said that she did not understand the sequence of the meeting. She said she can make her comment about the assessment until the units of benefit and the dollar amounts are decided. She questioned if she is being assessed for each of the access lots in Welfare Lakeview sub.

**Sherri Cooks,** 126 Dekalb St., wanted to make sure that she would have access to the lake and stated that the hearing notice was the first that she had heard about the this.

**Bob Daar,** 148 Arvida, protested the assessment roll because he felt owners were not notified legally because the public hearing notice did not include his sidwell number. He is not in favor of the project.

**David Hultgren,** 116 Arvida, he has reviewed the assessment roll and is fully supportive of what he is being assessed. He explained that he lives in Welfare Lakeview Sub and the he is being assessed \$21.30 per year regardless of the number of access points that the sub has. He is supportive of the roll as it stands.

**Amy Muldoon**, 126 Sandy Lane, said she had never received notification of the public hearing.

**Russ McClellan,** 132 Coalmont, agreed that it is difficult to speak about the assessment when he is unsure of how much he is being assessed. He is opposed to being assessed based on the process and the use of chemicals in the lake.

**Paul Weindorf,** 1641 W Lake Dr, protested the assessment. He believed that the .1 unit of benefit was arbitrary and felt that his health was being attacked environmentally.

**Sandra Carolan representing Isabelle Douse Trust,** 1661 Harbor Cove, said that the actions would not improve the lake; the condo association was already treating the lake; therefore, there would be double payment.

**Mike Brewer**, 130 Maudlin, is a renter who spoke for the owner who was unable to attend the meeting. He supported the 0.1 unit of benefit, but not anything additional.

**Terry Daar,** 148 Arvida, said that there was no sidwell number on her letter and that her husband's name was not on the letter. She just wanted it to be fair. She also noted that some parcels are being assessed zero units of benefit.

**Mike Condon,** 1411 W Lake Drive, supported the assessment roll and asked that the board move forward with the project.

The public hearing was suspended.

A brief discussion was held regarding a draft resolution to confirm the assessment roll.

Mr. Lemmon noted that following the deadline for the public hearing notice, there was information provided that substantiates the addition of 57 parcels within Lakewinds North and Lakeside Townhomes condominiums to the roll. Ms. Warren asked Mr. Lemmon if 57 lots were added if it would require another public hearing and notice, Mr. Roberts responded that it would require another continuation of the public hearing.

# Moved by Potter, Supported by Warren; Motion Failed 1-4 (Coburn, Galloway, Warren and Potter): To approve the Resolution Confirming the Special Assessment Roll, as presented.

Mr. Potter asked about the net impact of adding the back lot owners on the overall assessment. Mr. Lemmon responded that by removing the assessments on the orphan lots and adding the back lot owners to the roll the net change in the assessment over the five year was actually a decrease of approximately \$22 per unit of benefit for the five year period. Mr. Potter found the 0.1 unit of benefit assessment of backlots to be negligible; he said anyone benefitted from the lake but as a practical matter it was not worth considering.

#### Moved by Potter; Motion failed for lack of support; To approve the assessment roll with an amendment to remove backlots from present roll and reflect assessment roll presented in March.

Ms. Warren suggested allocating the access parcels each 3.0 units of benefit and dividing the benefit equally amongst the back lot owners. Mr. Coburn suggested continuing with the uniform unit of benefit as proposed. Mr. Lemmon commented that he would expect to see a more uniform assignment of benefit as proposed in the roll, but is looking to the Board for direction.

Moved by Coburn; Supported by Burke; CARRIED UNANIMOUSLY: To adjourn the meeting until June 17, 2010 at 7:00 pm for the Assessor to prepare a revised assessment roll that; includes the parcels in Lakewinds North and Lakeside Townhouse condos and three other parcels added at the end of Buffington, removes 19 parcels from Henning, changes the units of benefit for 3 parcels on South Lake, Walled Lake and in Jenny Park Subdivision from 1.0 unit to 0 units, and the deletion of 8 parcels along Lake Court; and changes the backlot unit of benefit from 0.1 to 0.2 unit of benefit based on the point that 0.1 unit of benefit was insufficient for backlot single family properties.

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Mr. Coburn suggested that the public hearing notice mailing be sent to the backlot parcels that were to be changed from 0.1 units of benefit to 0.2 as well as the new parcels that have been added to the roll that require the mailed notice. No members objected.

At Public Comment on Items not on the Agenda, Nine individuals addressed the Board with questions or comments regarding: the determination of a fair unit of benefit allocation, questioned the reason that the Board has not considered using weevils, the petition drive to dissolve the board, questions regarding the notice requirements, questions about the interest that would be earned on the money before it is spent by the Board, pending treatment by Bayside in Walled Lake, question about whether other treatments need to be coordinated with the Board, a suggestion that the Board send a poll the property owners to determine the preferred course of treatment, and general questions about the approved project.

Under Other Business, Mr. Potter suggested that the board send letters to both cities requesting them to consider adoption of an ordinance to control fertilizer use. Mr. Coburn stated he would draft a letter to both communities for Mr. Galloway's signature unless there was objection from the Board.

**ADJOURNMENT:** There being no further business to come before the Lake Board, the meeting was suspended at 10:19 p.m. until the continuation of the public hearing on June 17, 2010 at 7:00 p.m.

Brian Coburn, Secretary-Treasurer