

WALLED LAKE  
LAKE IMPROVEMENT BOARD MEETING MINUTES  
March 25, 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 March 25, 2010. The meeting was called to order by Dave Galloway, Chairman, at 7:06 p.m.

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

Also

Present: Glenn Lemmon, City Assessor  
Marjorie Bixby, Deputy City Assessor  
Mark Roberts, Attorney, Secrest Wardle

**At Public Comment on Items not on the Agenda**, seven individuals addressed the Board regarding the lake improvement process, the chemicals used for weed control, the selection of the board members, the composition and authority of the board, the impact of the weed control on fishing, the communication to the public by the board, and the request for a contribution by the City of Walled Lake to the Lake Board.

**Moved by Coburn, Supported by Warren; CARRIED UNANIMOUSLY: To approve the Minutes of November 5, 2009.**

Secretary-Treasurer Coburn presented bills for payment to: The Observer & Eccentric Newspapers (Invoice Nos. 3430943, 3432469), Spinal Column (Invoice Nos. S1800040, S1812640), Secrest Wardle (Invoice Nos. 1195368, 1196397, 1196918, 1197953) and Spalding DeDecker (Invoice No. 0058404), totaling \$10,650.87

**Moved by Coburn, Supported by Warren; CARRIED UNANIMOUSLY: To approve payment of Bills.**

**The public hearing was opened by Dave Galloway.** He explained that the purpose of the public hearing was to review, to hear any objections to, and to consider confirming a five-year Special Assessment Roll for the purpose of implementing a Lake Improvement Program for the years 2010 through 2014. He reviewed the rules for the public hearings that were previously adopted by the board. He also reviewed the documentation regarding the public hearing notice.

Glenn Lemmon, Novi City Assessor, provided an overview of the project and the assessment roll. He wanted to make it clear that the proposed Special Assessment roll was a **draft** only and could be changed if the Board so determined. He indicated that based on assessment records and the plats, there was no way to know the deeded access owners for Walled Lake without researching individual property deeds from the early 20<sup>th</sup> century. He stated that the preparation of the roll presented many challenges:

the huge number of participants, two governmental units, a variety of parcels, some owners were private, some were governmental. The estimated cost of the project was \$518,615 for five years. He took the lake perimeter (375 parcels that touched the Lake) and came up with an average 64 feet per parcel.

Mr. Lemmon explained that the property owned by each city was exempt under the statute; however, each city could choose to adopt a resolution to be included in the assessment, could choose to make a contribution or could choose to maintain an exempt status. The average parcel frontage was then used to establish the estimated contribution amount for each community. An estimate of \$45,000 was presented to Novi to include city owned and lake access parcels. An estimate of \$16,000 was presented to Walled Lake to include Mercer Beach and several lake access lots. He indicated that the City of Novi committed to paying \$45,000 but the City of Walled Lake did not commit to provide a contribution.

Mr. Lemmon explained that there are several types of properties in the roll. The proposed roll only assesses the properties that actually touch the lake. He explained that he did not have much direction from the board regarding the properties to include in the roll and is looking for any direction that the board would like to provide. The average single family parcel with a frontage of less than 95 feet was assessed 1 unit of benefit and those with more than 95 feet of lake frontage were assess 1.5 units of benefit. Commercial properties on the lake were assessed 3.0 units of benefit. The condo units that have direct lakefront access were assessed 0.75 units each and the condo units with a common lake access lot were assessed 0.1 units of benefit each. Lake access parcels with unknown ownership were assessed 2.0 units of benefit each.

Mr. Lemmon calculated that the final per unit cost would be \$1,094.69 per participant, to be paid in five installments, with a 6 percent interest rate, which if approved would be added to the July 1 tax bill.

Ms. Warren asked how many owners were unknown. Mr. Lemmon indicated that there were eight on the Walled Lake side and that the City of Walled Lake had decided not to contribute toward the cost of the project. Mr. Roberts answered that the Oakland County Equalization Department had been contacted for help but that the Department had not gotten back to him. Mr. Potter asked why the six percent interest rate had been used, which he thought was high. Mr. Lemmon responded that the six percent rate was the maximum allowed by statute in setting up lake boards; he said that the Lake Board could reduce the rate.

Mr. Coburn commented that the Board had received over 60 letters in response to the proposed assessment roll.

The floor was opened for public comment. The following persons spoke:

**Tom Harvey**, 1603 West Lake Drive, was disappointed that the resolution was on the agenda. He felt that the cost per unit for Walled Lake should be higher since a contribution was made by Novi. He said that "benefit" was defined by statute and felt that anyone with access to the lake "benefitted" from the lake and should be taxed. He gave his website, [www.walledlakeboardtax.com](http://www.walledlakeboardtax.com).

**Jason Woodward**, 420 Old Pine Way, Walled Lake, representing East Bay Village Condominiums, wanted to know what the rate of the assessment was for East Bay Village. He said that East Bay Village did not have boat rights. He said he likes the weeds. He wanted clarification of who is on the board. He said that values had dropped dramatically and felt it was not the time to tax. He wanted to know what was done with the permit fees for events on the lakes and beach tolls, etc. He wanted East Bay Village removed entirely from the roll.

**Dorothy Ducheneau**, 1191 South Lake, questioned how units were assigned. She felt the assessment should be fair, for example, using the existing standard of 25 feet of frontage for each boat in the water as a unit of assessment.

**Patrick Ziarnik**, 1601 West Lake Drive, was in favor of the project but felt that the backlots owners should pay part of the assessment. He requested that the Board not rush to approve the roll without having all of the information.

**Joe DeBrincat**, 1339 East Lake Drive, stated that there were several acres that shed to Walled Lake and that fertilizer went into the lake. He believed that it was unfair and should be assessed differently. He asked how much it would cost if they paid it all at once and also questioned the interest rate calculation. He thought that frontage foot would be a fairer method of assessment. He also felt that the City of Novi should pay more for the 1500 of frontage that it had; he also believed that the City of Walled Lake should pay for its frontage.

**Steve Loe**, 1507 West Lake Drive, had been against "poisoning" of the lake to control weeds from the beginning. He disagreed with the lake board attorney in saying that the City may be exempt from paying; he heard the mayor say that he committed to paying the assessment. He wanted to know how much money had been spent to date. In order to be fair about the assessment, people should have to prove that they have lake access. He felt the Board should take a giant step backward and suspend all spending until the total cost was resolved. He reiterated that Walled Lake was a healthy lake according to the Spalding DeDecker report.

**Jan Barlow**, 875 South Pontiac Trail #301, said that in looking at the unknown properties, the assessor had neglected the end of road accesses. She appreciated Novi's contribution. She said any overage goes back to the municipalities and felt that the six percent interest charge was excessive and should have been discussed before. She felt that this should be suspended until things were in order.

**Sandra Carolan**, 835 Bluffton, wanted to know how to change the way the process would be done. She was uncomfortable about the fact that people were assessed and taxed without representation. She said that questions remained unanswered. She felt that the Board was overreaching its authority and asked if it could be dissolved by petition. She felt that her deeded ownership was in danger on her plat. Her deed stated that she had access and feared that the Board could make changes to her ownership.

**Robert Dillon**, 1605 East Lake Drive, believed the Board was doing a great job, thought it was a good first draft and wanted the Board to move forward. He was happy to pay the costs. He questioned the 95 feet of frontage and suggested that the threshold should be 35 feet or 45 feet. He thought that they were road ends that were taken over by Walled Lake, but he believed a higher value should be placed on the unknown lots. He felt that the interest rate should be lowered.

**Delores Newman**, 462 Conway, hoped that the assessment roll was tentative; she had questions and wanted fair assessment.

**Tom Harvey, Sr.**, 1195 West Lake Drive, said that we're really looking at \$518,000, not just \$1,000; he said a good way to sell programs was to minimize the cost. If we were trying to be fair, we should study the lake and all the parcel ownership; he didn't think we could come up with something fair between now and July 1. He asked how the Lake Board came up with the area and the costs. He was concerned that the Lake Board would move ahead without considering their interest, since it was not elected; he suggested a team of people to get the job done.

**Paul Olsen**, 1312 East Lake Drive, thanked the Board for its energies and said he was willing to contribute. He was satisfied with the roll, which he didn't think was unreasonable. He was disappointed that the City of Walled Lake not contributing, however.

**Alan Dezell**, 1217 East Lake, said he had been involved since the beginning and fully supported the Board moving forward. He said the Board needed to do the right thing and assess all those that had a benefit on the lake. He thought that backlot owners needed to contribute a portion as well. He suggested that the Board consider using frontage feet as part of the calculation.

**Randy St Laurent**, 159 East Bay Drive, said there were 372 properties at the condos, 10% of the total budget, 0% of water privileges. He believed that they needed to have some privileges on the lake or don't charge.

**Mark Adams**, 1721 East Lake Drive, thought the Board was doing a great job, but the assessment roll should be tweaked. The lake level regulator was installed and there was a study on the access to the lake. He said there was a guide book done a few years ago of all the parcels that had access to Walled Lake that could be used to research.

**Michael Condon**, 1411 West Lake Drive, thanked the Lake Board and says that we are in a tough position but do not take a step backward. The weeds have been a problem for many years. They needed to be able to use the lake; it was tough to figure out how to fairly distribute the cost. If the backlots could be assessed – great – but keep moving forward to save the Lake.

**James Kern**, 561 East Walled Lake, encourage expansion of the district to include the tributary area that discharges fertilizer to the lake.

**David Hultgren**, 116 Arvida, Welfare Sub, hoped that the property could be included in the roll. He thanked the Board and hoped that we could move forward expeditiously. He said we could argue percentages for years.

**Gwendolyn Martin**, 1155/1127 South Lake. She said that the back building didn't touch the Lake at all; the front building faced the lake, but the units did not touch the water. She said some owners have pontoons, 13 were allowed but have only 5. She wondered how they will locate those co-owners to assess them. She was retired and living on a fixed income; 55+ seniors lived in the complex. She wanted the Lake to be cleaned up.

**William Roberts**, Mayor of the City of Walled Lake, 584 East Walled Lake Drive, said that he formally appeals the assessment on the property. There were 11 properties in Walled Lake that had combined their lots; three others where the lot could easily be combined. The most ardent supporters of this were backlot owners. They were not paying a penny; he asked the Board to step back and re-evaluate. He invited the assessor to sit with him at the City Hall tomorrow to establish the ownership of the lake access lots. They had records on the unknown lots. He was on a fixed income and asked that it be one parcel. He wanted a more equitable roll.

**James Street**, 1915 West Lake Drive, supported the Board's efforts moving forward. He thought his assessment was fair. He was concerned with the backlots; he thought they needed to be included in Bentley Subdivision. He thought more lots needed to be identified to share in the cleanup of the Lake.

**Bob Daar**, 148 Arvida, thanked Mr. Potter for his point of view. He said there were a lot of points made and some people in East Bay Village used the lake. There was access over a given lot or several lots and it was shared. He didn't have the full benefit of a lakefront lot and didn't believe backlot owners should pay the same percentage as lakefront owners. He indicated that the backlot owners had not been mailed a meeting notice; therefore, there might need to be another meeting. Since we want to tax him he needs to be notified or it would be taxation without representation. He had access to seven lots; was he responsible for payment on all of those lots? The health of the Lake was his major concern and it was healthy.

**Dave Cook**, 306 Eubank, spoke as a backlot owner; he thought they should have to pay a share but not the same percentage. He believed that everyone benefitted from the Lake and should pay a reasonable share. He asked that the Board not move forward tonight until things had been settled.

**Ernie Schlager**, 1419 West Lake Drive, said he heard words like "benefit," and said he didn't want weed killer in the lake. He was choosing not to participate.

**Renee Riding**, 895 Pontiac Trail, asked when the harvesting would start and how to harvest after the docks were in. She had petitioned for the Board and gathered signatures telling people that the most it would cost was \$150 per year. The November 5<sup>th</sup> resolution stated that the backlots would be included and that it could be appealed. She had told everyone that there would be no harvesting because it didn't work on Wolverine Lake and it wouldn't work here.

**A spokesperson for Chester Marena**, 1143 East Lake Drive, said she couldn't understand how a cottage could be identified as a commercial property. She wanted to know how contract overages would be addressed. She also asked how assessments would change, how they might be absorbed. She also asked if the assessed had the option to prepay to hold in escrow by a legitimate agent instead of the Board.

**George Baczewski**, 1945 West Lake Drive, said he was not opposed to paying his fair share; he only owned 30 feet of property. He knew of no safe chemical; he asked when the chemicals were used were the residents going to breathe the chemical and prohibit access to lakefront?

**Larry Kern**, 1159 East Lake Drive, asked if the Lake would be closed to boating during the application. The riparian was losing access of the lake. He asked if they could assess per boat. Per foot wouldn't be fair when one lot had multiple boats.

The public hearing was closed.

A discussion was held regarding the six percent interest rate for the assessment and whether it was reflective of the true cost of money to the city. There was discussion about the proposed Consideration of Resolution Confirming Assessment Roll and inclusion of the back lot owners. There was a discussion about new information provided by a property owner that clearly demonstrates that several parcels in the Welfare Lakeview Subdivision has deeded access through several lots to Walled Lake. Mr. Lemmon added that this is the type of proof that he needs to add the back lot owners to the assessment roll.

**Moved by Potter: To approve that those lots that have an adjacent vacant lot next to an occupied home where adjacent lot is less than 30 feet of lake access that those two lots be considered with 1 unit of benefit; No Support. Motion Fails.**

Coburn stated that even though the lot may be considered unbuildable, it can still serve as a lake access and receives a benefit. Warren questioned if the board could give direction to the Assessor to reduce the benefit for unbuildable lots. Mr. Roberts stated that it is not the Assessor's responsibility to deem a lot as buildable or not that that additional direction about lot size would be needed from the Board.

Warren asked if the meeting could be adjourned. Roberts said the meeting could be adjourned if the Board wanted to investigate adding backlots to the assessment roll. Potter stated that the Board needed to give the Assessor guidance regarding the backlot owners; he added that he was looking at the mid to high \$100 per unit of benefit as the price point for the property owners. Coburn asked that the motion summarize questions to resolve interest rate. There was discussion about the units of benefit to be used for the back lot parcels and a consensus to request a recommendation from the Assessor.

Coburn asked if the motion included the Novi parcels in the research on backlot owners, and Potter answered that Novi back lots are included. Coburn stated that Novi's contribution was intended cover the lake access parcels in Novi.

**Moved by Potter; Supported by Burke: CARRIED 4 to 1 (Coburn, No); To adjourn the public hearing until May 20<sup>th</sup> to allow 45 days for additional research on lake access for backlot owners in both communities and to direct the assessor to revise the roll to include backlot owners where lake access was reasonably determined with certainty within the 45 day period and the Assessor shall work with the Finance Director to determine the city's cost for lost revenue for delinquent payments.**

Coburn asked the Board to consider a letter of support requested by the City of Novi for The Landings Property at Walled Lake for the Michigan Natural Resources Trust Fund Grant to be submitted by April 1, 2010.

**Moved by Potter, Supported by Burke; CARRIED UNANIMOUSLY: To approve letter of support for the Landings Property on Walled Lake for the Michigan Natural Resources Trust Fund Grant to be submitted by the City of Novi.**

**At Public Comment**, eight individuals addressed the Board regarding the use of chemical treatment for weed control, the length of time that the lake would be closed after chemical treatment and to thank the Board for their work.

**ADJOURNMENT:** There being no further business to come before the Lake Board, the meeting was adjourned at 10:29 p.m.

  
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Brian Coburn, Secretary-Treasurer