



## MINUTES

Monday, February 20, 2017  
7:00 P.M., Barber School  
102 West Exchange Street  
Spring Lake, Michigan

### **1. Call to Order**

President **Hatton** called the meeting to order at 7:00 p.m.

### **2. Pledge of Allegiance**

### **3. Roll Call**

**Present:** Doss, Duer, Hatton, Miller, Powers, Tepastte, Van Strate.

**Absent:** None

### **4. Approval of the Agenda**

Motion by **Van Strate**, second from **Doss**, to approve the agenda as presented.

Yes: 7

No: 0

### **5. Consent Agenda**

- A. Approved the payment of the bills (checks numbered 58550-58634) in the amount of \$185,386.19.
- B. Approved the minutes for the January 16, 2017 regular Council meeting.
- C. Approved supporting the concept of serving as an Act 51 pass through agency on behalf of Crockery Township and instructing Clerk/Treasurer Marv Hinga to assemble documents for further consideration.
- D. Approved budget amendments for FY 2016/2017.
- E. Approved a proposal from Prein & Newhof for an Asset Management Plan for an amount not to exceed \$13,250.00.
- F. Approved a water reliability study by Prein & Newhof in an amount not to exceed \$7,500.00.

- G. Approved a grant agreement with Grand Haven Area Community Foundation for \$1,000 from the William H. Young and Dorothy Young Mixer Fund for use at Whistle Stop Playground.
- H. Approved an agreement with Ottawa County for GIS services for 2017-2019.
- I. Approved Resolution 2017 – 03, a Resolution approving the annual Harbor Transit millage rate at .58 mills.
- J. Approved the use of Central Park on May 14, 2017 by The Noah Project.
- K. Approved a Storm Water Management Agreement with Grand Valley Metro Council designating Ben VanHoeven as the signer of the agreement.
- L. Approved a five-year agreement with Cardno, Inc. for spraying of invasive species along the Grand River Greenway in an amount not to exceed \$8,000.00.
- M. Approved a change in Village Council meeting dates as follows:
  - June 12, 2017 – Work Session, 6:00 p.m. at SLVH
  - June 12, 2017 – Regular Council Meeting, 7:00 p.m. at Barber School
  - June 19, 2017 – Regular Council Meeting Cancelled.

Motion by **TePastte**, second from **Miller**, to approve the Consent Agenda.

Yes: 7                      No: 0

## **6. General Business**

### **A. Disincorporation Work Group (DWG) Presentation**

**Subject:** The DWG was assembled by Mr. Tony Verplank for the purpose of gathering data and finding of facts related to disincorporation. The DWG met numerous times in order to discuss various aspects of disincorporation and were prepared to share with Council and the public what was discovered.

President **Hatton** introduced this item and asked Mr. Verplank to present the Disincorporation Work Group's recommendation. Mr. Tony Verplank said that a lot of work had gone into that report and that he wanted to recognized the rest of the work group, which included Lou Draeger, Gary Hanks, Eric Johnson, Bari Johnson, Jim MacLachlan, Bill Meyers, Shannon McMaster, Ernie Petrus and Doug McNeil along with support from Chris

Burns, Gordon Gallagher and Marv Hinga. Mr. Verplank presented the Work Group's recommendation to Council stating the top 3 recommendations as follows.

1. That Council approve language to amend the Charter to allow for a public vote.
2. That Council authorize funding for public education to help the electorate understand this very complex issue.
3. That citizens vote no on disincorporation and the Charter amendment for the following 3 reasons.
  - a. The primary reason being be the loss of local control and a few examples given were:
    - the Village receives \$267,000 in street funding from the State and County;
    - \$289,000 is captured by the DDA for use in the district;
    - \$520,000 in General Fund Revenue Sharing, Franchise Fees, Building Lease, Liquor License Revenue, Cell Tower Rent, etc.;
    - and \$33,000 in bike path millage funding from Spring Lake Township.

Mr. Verplank explained that not all of these funds would disappear but would go to Spring Lake Township. With the Village residents making up only 18% of the Township voters, there would be no guarantee that the money would come back to fund Village projects.

- b. The loss of core Village services that contribute to the quality life in the Village. Mr. Verplank noted that the average Village home owner pays approximately \$1.95 per day for all the Village services.
- c. The loss of 24/7 police services. Mr. Verplank said that the Committee felt strongly that this was a big deal. Mr. Verplank also said that while some of these things could be re-initiated by a special assessment from the Township, if you are bringing these things back, what was really to be gained by getting rid of the Village as it stands. Once the Village disincorporates, you can't rewind the process.

According to Mr. Verplank, there may not be a right or wrong answer on whether to disincorporate, but rather the DWG views this as a matter of personal opinion based upon factors which influence the quality of life within the Village. Having considered all the information and reviewed the data, which was included in their report to Village Council, the Disincorporation Work Group was unanimous in its opinion. The cost-benefit analysis weighed heavily in favor of retaining the status quo of the Village's governmental structure.

President **Hatton** opened Public Comment at 7:15 p.m.

The following residents spoke regarding disincorporation.

- James Willison, 624 E. Savidge, suggested looking for alternative ways to save money rather than disincorporation.
- Nicole Hansen, 218 N. Division, suggested that the Disincorporation Group was one-sided and that the other side should be given equal time at the podium.
- Suzanne Ditsler, 619 Parkveiw, said that she lives in a PUD so she does not benefit from Village services so she thinks that it would be really important to look at both sides of the equation and go forward to find a solution.
- Elizabeth Wheeler, 120 N. Lake, spoke in favor of disincorporation due to her unhappiness with the Village.
- Bonnie Scarbrough, 314 E. Exchange, has family in the Township who pay a lot less in taxes so she was in favor of disincorporation if it would save money due to her unhappiness with the Village.
- Bill Ven Huizen, 509 Buena Vista, said that he was concerned that disincorporation would cause a loss of quality of life and suggested that things could be done more efficiently to save money without disincorporation.
- Gerald Fisher, 603 Lakeview, said that he had questions on President Hatton's handout from 2011/12 that stated what services would be lost through disincorporation and that getting them back would require a special millage which he thought answered the question right there. Mr. Fisher also said that the times he had brought issues to the Village they were taken care of in a timely manner and that the Village employees had always been respectful to him. Mr. Fisher wondered who would run the Village and would the Township Supervisor be paid that much more to do it? He has read that the Township was not in favor of taking over the Village.
- Tom Garrison, Township resident & Village business owner, said that he would like more information surrounding disincorporation.
- Shannon McMaster, 227 Prospect, said that he served on the DWG and that twice in his lifetime he had chosen to buy a home in the Village and that losing the Village would be losing the thing he came here for.
- Wally Obits, 818 River, suggested revising the Charter and then let the voters make a decision on whether to remain a Village or not.

There being no more public comment, motion by **Doss**, second from **Tepastte** the public hearing was closed at 7:35 p.m.

Yes: 7

No: 0

President **Hatton** asked for clarification on the sample motions. **Burns** explained that the motion was at Council's discretion and that she had provided 3 options. One option would be to accept the recommendations of the DWG, the second option would be to reject the recommendations of the DWG and the third would be to do a combination. **Burns** said that the proper procedure would be to entertain a motion, obtain a second and then have a discussion.

**TePastte** said that he felt this motion was too broad and that they were trying to vote on too many things at one time. **TePastte** said he thought they needed more information.

**Burns** explained that the main recommendation was to place the item (Charter amendment to allow disincorporation) on the ballot for voter decision at either the August primary or the November general election. **Burns** explained that if Council were to decide to place this on the August ballot, the following steps would need to be followed in order to meet a mid-May deadline for getting the language to the County Clerk to get the ballots printed:

- Language would need to be drafted by the Village Attorney;
- Draft language would be brought to Council for review and approval;
- Approved language would then be sent to the Governor for approval;
- Language would then be sent to the County Clerk for the ballots to be printed.

**Burns** also explained that if Council chose not to put the Charter amendment on the August ballot, the second option would be the November election. However, **Burns** felt it would be very confusing to have both items on the November ballot with one being the Charter amendment and the other being the Charter revision. **Burns** said the Charter revision was required by Sec. 15.03 to be placed on the November 2017 General election ballot. **Burns** said they did not recommend having one amendment question and one revision question on the same ballot which meant they would want to get it on the August ballot so they would have to expedite the process, but that it was doable. Attorney **Sullivan** said that another alternative would be to add the language allowing disincorporation to the Charter revision process eliminating the need for two elections, but that would delay the process.

President **Hatton** asked about when the Township votes? **Buns** said that was not until we get to the disincorporation question because the Township does not vote on the Charter amendment or the Charter revision. **Hatton** said what she meant was, when you are voting for the Village would you be voting for the Township at that point. **Sullivan** said he wasn't sure he understood her question. **Hatton** said that she was talking about the Charter amendment allowing the Village to vote, but it also requires the Township to vote. **Sullivan** explained that, if in fact, the Village voters were

to approve an amendment creating a process for disincorporation, you would then have to go back through the process again. Either a 2/3 Council vote or a petition of the people would place that disincorporation issue before the Village AND Township voters. **Hatton** said she understood, because she had asked her own lawyers about this and they said there may be an opportunity to put two votes on the August ballot. In other words, you would have the vote to pass the Charter amendment and then concurrently, if that passes, you can vote on disincorporation. **Hatton** explained that the reason this was brought up was because we have to, in 2017, we must have a Charter review, but if we vote to disincorporate then we don't have to do that (the Charter revision).

**Burns** said that the second DWG recommendation was for Council to allocate funding for educating the voters on disincorporation and the third was that the Committee members do not recommend disincorporation, but Council does not need to act on that recommendation.

**TePastte** said that part of the recommendation was for the CRC to moderate a couple of community engagement sessions and conduct some straw poles at that time. Part of the recommendation was to have Trapani Communications get some information out to inform voters what was coming before them. **TePastte** said he thought those two items should come first and be separate from the recommendation to draw up the Charter amendment language. **Burns** said that she thought the legal expense would be minimal compared to the educational expense.

**Doss** said that she felt the education/communication piece was very important because so many people were very confused about what this really meant. **Doss** also said that she knew \$20,000 was a lot of money and she didn't want to spend it either but it was critical to educate the voters because once we go down that path, there's no going back. **Doss** said one of the reasons her family moved here was because they love the Village and it means something to them.

**Van Strate** said that since the DWG said disincorporation would not save Villager's money and they had the facts and figures, he felt that the voter education could be taken care of in-house. **Doss** didn't agree. **TePastte** said he agreed with **Doss**. The money had to be spent to educate people and that he also agreed with the DWG's findings that disincorporation was not a good thing for the Village. **TePastte** didn't think Council saying it, was enough and that they have gone down the road far enough and spent enough money that they really had to get that information out to everybody so voters can make an informed decision. **Burns** said that one of the things that the DWG discussed was that the Citizens Research Council was a non-partisan, non-profit independent agency with no emotion attached to this issue and the same holds true with Stacey Trapani. **Burns** said their job

was to report facts and figures and to educate the public, not to sway people one way or the other.

President **Hatton** said that she was shocked to read that every person on the DWG was against disincorporation. Whether or not they started out that way, she didn't know. She said she was surprised because she felt that this is/was a concerned citizens group so how it happened that way, she didn't know. **Hatton** said that she had looked up Ms. Trapani and she was familiar with the Citizens Research Council. The CRC worked with Onekama, and that didn't pass, and they worked with Saugatuck/Douglas, and that didn't pass. She was sorry but the three they had suggested had failed the test so that left her wondering. **Hatton** said she had checked on Trapani and she must have a connection with Central Michigan University because practically all the people that work there are from Midland. **Hatton** said she knew there were people in the audience that were video producers and for Council to be hiring these other people and not even having a chance to talk to them because the only group that knows anything about them was the group that met and you have 1000 other people that could vote. **Hatton** said that the fact that they want to do certain things which, she thought, was something that was very easy to understand which was to put it on the ballot which she thought Attorney Sullivan could do that very easily. **Hatton** said she was all for communications and the amount was fine with her. If that was the group, then that was fine with her, but they haven't met so they don't have the information. This rather one-sided committee has met, so for that reason she recommended that they pass one part and go back and review whatever other recommendations there were. **Duer** asked **Hatton** what part she was recommending. **Hatton** said she was recommending that they put the Charter amendment on the August ballot and the communications could be discussed at their next work session.

**TePastte** said one other part of the DWG's recommendation was that they would further communicate with Council so he would like to invite them to the March work session to go into more detail on their findings. **Hatton** said that she thought that was a wonderful idea but that they should broaden their group and bring in some people who obviously spoke in favor of disincorporation so that they have a broader group. **Burns** pointed out to **Hatton** that, as a courtesy, the DWG allowed **Hatton** to appoint Doug McNeil (a township resident) to the group. Mr. McNeil is a well-respected local attorney, hand-selected by **Hatton**. The DWG is a grassroots group that was not appointed by Village Council. **Hatton** said that yes, she did suggest Mr. McNeil but Tony Verplank had said everyone seated on the committee was not necessarily in favor, but it ended up being a unanimous recommendation. She had recommended three people but was told the group was full and could only take one, so she thought Doug McNeil, being a knowledgeable lawyer, was the one she should recommend. The other 2 she had wanted were not part of the group.

**Powers** reviewed the process steps with Attorney **Sullivan**. **Powers** also agreed that the education communications to the voters was very important and that spending money to do that was necessary. **Powers** discussed the expectations of Ms. Trapani and the CRC and what that time line would look like with **Burns**.

Motion by **Doss**, second **Miller**, to accept the recommendation of the DWG that language be prepared to amend the Charter to allow disincorporation and to approve funding for the educational component that included hiring Stacey Trapani and the Citizens Research Council.

Yes: 6                      No: 1 (Van Strate)

## **B. Communications Recommendations**

**Subject:** Last fall, the Village contracted with Stacey Trapani of Trapani Communications to produce a communications piece that was included in the annual newsletter. Ms. Trapani specialized in strategic communications and worked with several municipalities throughout the state. Stacey participated in one Disincorporation Work Group (DWG) meeting and offered suggestions for effectively communicating facts to Village residents regarding disincorporation. One recommendation from the DWG was to support a public awareness and education campaign.

This item was voted on and approved in item 6. A.

## **C. Village Manager Contract Amendment**

**Subject:** Village Manager Chris Burns requested an amendment to her employment contract for the purpose of providing incentive to remain at the Village in the event of disincorporation. Legal Counsel for the Village gave an opinion regarding the amendment which indicated that the amendment was within the confines of the law.

President **Hatton** introduced this item.

Motion by **TePastte**, second from **Duer**, to approve the proposed amendment which would include a severance package of 12 months, which would be in lieu of the 6 months' package, as it related to disincorporation, to the Village Manager's contract.

Yes: 6                      No: 1 (Hatton)

## **7. Department Reports**

- A. Village Manager – Manager **Burns** had no additions at this time.
- B. Clerk/Treasurer/Finance Director – There were no questions or additions to this report.
- C. OCSO (Sgt. Kik was be present) – There were no additions to this report.
- D. Fire
- E. 911
- F. DPW
- G. Water
- H. Sewer
- I. Minutes from Various Board & Committees
  - 1. Parks & Recreation

**8. Old Business and Reports by the Village Council** – There was no old business to report at this time

**9. New Business and Reports by Village Council** – There was no new business at this time.

**10. Status Report: Village Attorney** – The Village Attorney had no additions at this time.

## **11. Statement of Citizens**

Tom Craig, 319 Mark St, asked if it was feasible to expect that the information could be delivered to the public in time for an election? Manager **Burns** said that it was feasible.

Lee Schuitema, 408 W. Exchange, said that he found it really disturbing that anybody in the room could say that the people serving on the DWG, were not the people that should have been. Mr. Schuitema said he found it disgusting. There was not another person in the room that had the experience, the job qualifications and the knowledge to put that report together. Mr. Schuitema said that these people, out of the goodness of their heart, sat down and compiled that report. To question their judgement was absolutely, totally out-of-line because they are the people in this area that have the knowledge do the work that has to be done. They said to put it on the ballot. Mr. Schuitema asked Council to take baby steps.

Nichole Hansen, 218 N. Division, said that Joyce had her personal attorney doing research on the severance and the Charter and Joyce's attorney claims the severance was illegal because of the way the Charter is written. She felt that more research needed to be done and that Council should take Joyce's research that she already has paid for and insert it into this research so there are two points-of-view, attorney wise.

Elizabeth Wheeler, 120 N Lake, said that she had listened to everything but she still feels the same way. Disincorporation would be helpful to bring social harmony back in the community. Ms. Wheeler asked if Village residents would get the opportunity to vote yes or no on disincorporation. Attorney **Sullivan** explained the process yet again.

## 12. Adjournment

Motion by **Van Strate**, second from **TePastte**, Village Council adjourned the meeting at 8:20 p.m.

Yes: 7

No: 0

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Joyce Verplank Hatton, Village President

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Maryann Fonkert, Deputy Clerk