



Village of Spring Lake
Council Work Session Minutes
May 11, 2020
7:00 p.m.
Dial-in number: (872) 240-3212
Access code: 714-376-645
Spring Lake, Michigan

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

1. **Housing Next (Rhonda Kleyn)** – Rhonda Kleyn, NHS Neighborhood Development Coordinator, for the City of Grand Haven will be attending the meeting to discuss their latest statistics.

Rhonda Kleyn asked Council to consider participating in their Home Repair Program along with neighboring municipalities. Ms. Kleyn said that the Village had not participated since 2017 and they regularly received calls from Village residents asking for home repair help, but they have to be turned away. **Hanks** asked what the criteria was to get assistance. Ms. Kleyn said that different grants had different criteria, but income was the main criteria for eligibility along with a list of other eligibility requirements. **Petrus** asked why the Village discontinued participation. **Hinga** said that not being able to get specifics on who was being served was part of it. Ms. Kleyn said that another reason the Village had discontinued participation was cost, which had previously been \$8,000, but now, the ask was significantly less at \$1,200. President **Powers** suggested that Council discuss this program as something to add to the upcoming budget. **Van Strate** asked if this was for owner occupied or did it include rental property. Ms. Kleyn assured him that it was for owner occupied homes, not rentals. **Council** agreed that, due to the current economic circumstances, participation in this program was important for the community and asked to have this added into the budget.

2. **109 S. Jackson Redevelopment** – The developer for 109 S. Jackson submitted a proposal to the DDA for a property swap on Jackson St. The DDA was amenable to the idea and recommended the developer speak with the entire Council to determine their level of interest. Mr. Brandon Brown will be attending the meeting.

Burns shared preliminary site plan drawings of 3 different designs that had been shared with the DDA, whose initial reaction was positive. Brandon Brown shared some background on how this proposed property swap came about after he and Eric Wolffe had submitted their initial RFP and purchased the building. Mr. Brown said that the idea of a property swap was brought to them as a result of the visualization and inspiration for Epicurean Village to move the building closer to the corner as a counterbalance for Seven Steps Up and to open up that area. Mr. Brown said if the

property swap aligned with their business model and what they were trying to do and the level of interest was there, then they would be open to a swap and see if all concerned could come to an agreement. President **Powers** asked what input could be added from the DDA. **Burns** shared that the DDA was open to the idea of a property swap and leaned towards the parking neutral drawing of plan C, however, they did not want to see all asphalt and suggested adding bump outs with green space and maybe trees. **Hanks** confirmed that this was the DDA's position on the swap and preferred site plan. **Petrus** asked if she had understood correctly that this was a suggestion from the Village and Epicurean Village to improve the esthetics of that area. **Burns** explained that raising the building had been discussed when Ms. VanKampen had owned the building but after she donated the building to the Village, that discussion had fizzled until developers had come forward and different options, such as this, had been discussed. **Burns** said the numbers had not been looked at yet and both parties would have to be agreeable, but they first wanted to see what Council's thoughts were before they pursued further conversations. **Van Strate** said he liked plan C. President **Powers** said he liked the idea of a building at the corner as a balance for Seven Steps Up but preferred Plan B with more green space. **Council** discussed this item and agreed they were open to a property swap.

- 3. Delinquent Utility Bills (Marv Hinga)** – According to Sec. 78-176 all delinquent water/sewer bills (including penalties) that are 3 months or more past due can be placed on summer taxes as a lien against the property. Sec 78-342 allows the Village to place a lien on property to recover costs of mowing. These assessments need to be approved by Council at the May meeting for placement on the taxes in June.

Hinga reported that the delinquent utility bills, totaling \$2,760, were at least 6 months old and from inactive accounts with unpaid balances where the homeowner or tenant had moved. **Council** agreed this item could be placed on the Consent Agenda.

- 4. COVID Updates – Burns** shared that she would be attending a Reconstitution Webinar on Wednesday for the latest information and then would share an infographic with staff regarding getting back into the swing of things and getting Village Hall reopened. **Burns** said the plan was to open to the public on June 1st, making sure to follow the CDC recommendations. **Burns** reported that the Heritage Festival and related 5k have been canceled and the Armed Forces 5k, to be held in September, was still up in the air and will be evaluated later in the summer and the fate of the Coast Guard Festival would be decided at the Festival Committee's June meeting. **Burns** asked Council how they felt about attending the Coast Guard dinner this year, provided it was not canceled, considering the current financial circumstances of taxpayers. **Burns** also shared an overview of small business loans, similar to what the City of Grand Haven offered, that the DDA would discuss and consider for Spring

Lake businesses with Joy Gaasch at their meeting in the morning and encouraged Council to join. **Council** agreed that the \$2500 it would cost to attend the Coast Guard dinner would be better spent elsewhere.

- 5. Additional Marine Patrol for 2020** – In 2019, SLT, SLV and the City of Ferrysburg contributed funds for additional marine patrol specifically to enforce the no wake regulations. With water levels being even higher in 2020, it seems as though this may be a good investment again this year.

Burns explained that with the water levels continuing to rise, the need for additional Marine Patrol would be needed again this summer. **Burns** said that this year they would start earlier with education on no-wake areas, posting maps at marinas and issuing tickets to violators sooner which would help spread the word around the boating community. **Council** agreed that education and additional Marine Patrol was needed, especially during the peak boating times on the weekends, but was not necessary on Sunday evening or during the week. Council agreed.

- 6. Audit Contract Vredeveld Haefner (Marv Hinga)** – VH submitted a 5-year continuance letter with a price freeze for 2020 and a 2% increase each year for the next 4 years. Clients currently on a 5-year agreement include the City of Grand Haven and related entities (NOWS, Harbor Transit, Sewer Authority, etc), Loutit District Library, Norton Shores, Grandville, Rockford, East Grand Rapids and Georgetown Township.

Hinga explained the details of this 5-year continuance letter with Vredeveld Haefner and said that they had been very happy with their services. **TePastte** and **Hanks** shared that the Finance Committee had reviewed this continuance letter and, based on cost and past performance while realizing that keeping the same auditors added additional responsibility to Council, were in favor of approval. **Council** discussed this item and agreed that they would like to continue with Vredeveld Haefner and asked to have this item added to the Consent Agenda.

- 7. Proposed Budget FY 2020/2021 (Marv Hinga)** – The proposed budget was included in this agenda packet. Once Council has a chance to review, staff will assemble the binders for distribution prior to the June 15th adoption.

Hinga went over the proposed Budget for FY 2020/2021. **Council** discussed whether to give staff a 2% wage increase or if a wage freeze was in order at this time. **TePastte** explained that the Finance Committee was split on this issue and, in his opinion, in light of the current situation, he did not feel right about giving raises while business

owners were making difficult choices to save their businesses. **Hanks** said she felt that, after challenging staff to come up with cost savings, share jobs and make tough decisions, all of which actually brought payroll cost down, to not give raises would be saying that, even though you did what was asked, it doesn't matter. **Duer** felt that staff, especially the water/sewer staff, were not getting a break during this time, unlike a lot of people who were able to stay home and make more money on unemployment, Village staff was not able to do that and should be rewarded for what they are doing. President **Powers** asked what the Township was doing. **Burns** said that the Township had already given raises because their fiscal year began April 1st. **Hanks** said that the Township employees already receiving raises was another factor in her decision, that some employees received raises and some employees, doing the same jobs, would not, even though those funds were already included in the budget. **Burns** shared that since Paparella had retired in March and no one had been hired yet, all of the office staff had stepped up and taken on more duties with no extra compensation and that Spelde had also taken on Utility Billing for the Township. **Burns** said that Spelde should receive more than 2% for the job she was doing and Michael Rice, the newest DPW employee, was at the lowest rate of an out of date wage scale and needed to be brought up. **Van Strate** and **Miller** agreed with **Hanks** and **Burns**. President **Powers** reiterated the opinions of **TePastte**, **Hanks** and **Burns** and said he leaned more towards **TePastte's** opinion but if the majority voted to give the 2% raises, he would defend it, but did not feel it would look good to residents going through these very grim times. **TePastte** said he did not disagree that the Village employees work hard and he would support the majority. **Hinga** continued with the proposed budget and explained that there was a new department number in the General Fund for Police and the big change here was that Police pension expenses would be going up from \$800 to \$7,086 per month but these costs would be shared with Ferrysburg. **Hinga** reported changes in the Major and Local street funds, building fund expenses that would go down now that Michigan Township Services were handling the permitting process instead of the receptionist, the DDA fund with several large capital expenditures that were predicated upon grants being awarded, property being sold and borrowing taking place, the TIFA fund, the sewer and water fund details, the equipment fund with the two major purchases being a copier and a plow blade and the health insurance rates for the upcoming year went up 4.9% and dental less than 1%. **TePastte** said that, in general, the Finance Committee was fine with the Budget but would not hesitate to recommend amendments if needed, recognizing the year they were facing. **Hinga** confirmed that the changes to the Budget were to remove Coast Guard Dinner, add \$5000 for additional Marine Patrol and add \$1,200 for the Housing contract.

- 8. Budget Adjustments (Marv Hinga)** – The finance committee will have reviewed proposed budget adjustments prior to this meeting and will make a recommendation.

Hinga reviewed the budget adjustments for Major/Local Streets, DDA, Water fund, Sewer fund, moving money between Clerk/Treasurer and Planning Budget, moving money between different parks. **Hinga** said these changes were all moving money between line items and made no changes to the General Fund balance. **Council** agreed these adjustments could be added to the Consent Agenda.

- 9. Capital Improvement Plan** - Council will be holding a special meeting on Tuesday, May 12, 2020 to discuss the Capital Improvement Plan for the repair and maintenance of the water/sewer infrastructure.

10. Communications

Burns said she had nothing to add to what was in the packet.

- 11. Minutes** - Minutes of the April 13, 2020 Work Session and the April 20, 2020 regular meeting were attached for review.

- 12. Public Comment** - There was no public comment.

- 13. Adjournment:** There being no further business, the meeting adjourned at 8:22 p.m.

Mark Powers, Village President

Maryann Fonkert, Deputy Clerk