

**THE CITY OF THE VILLAGE OF DOUGLAS  
MEETING OF THE CITY COUNCIL  
MINUTES**

**Monday, January 21, 2008**

**7:00 p.m.**

1. Call to Order/Roll Call

The meeting was called to order at 7:05 p.m. by Mayor Pro Tem Waddell

Members Present: Bailey, Harvath, Hoexter, Mayer, Moore, Waddell

Absent: Balmer

Also Present: City Manager Kowal, Attorney Mulder, Planning/Zoning

Consultant Kilpatrick and Clerk Neve

2. Pledge of Allegiance – Mayor Pro Tem

3. Changes/Additions/Deletions to Agenda

A. Resolution No. #10-2008 added to Item 9A

B. Dan Urquhart added to Item 7 Verbal Communications

C. Add Closed Session as Item 17; Adjournment will be Item 18

D. Item 8B to be deleted from agenda

Motion by Bailey with support from Mayer to approve the agenda as amended. Motion carried.

4. Approval of Minutes

A. Committee of the Whole Meeting of January 7, 2008

B. Regular Meeting of City Council of January 7, 2008

C. Closed Session Minutes of January 7, 2008

Motion by Moore with support from Mayer to approve all meeting minutes of January 7, 2008. Motion carried.

5. Appointments /Resignations

A. Reappointment of Maria T. Droz to the Assessor's Board of Review; Term Expires January 2011

Motion by Bailey with support from Hoexter to approve the reappointment of Maria T. Droz to the Assessor's Board of Review with a term to expire January 2011. Motion carried.

6. Proclamations/Awards

A. Presentation by Tim Wood; Superintendent, Saugatuck-Douglas Public Schools

Superintendent Wood made a presentation of the article from Business Week Magazine naming Douglas "one of America's Top 50 Places to Raise Kids".

7. Public Communications (Limit of three minutes for comments regarding agenda items)

Verbal:

Dan Urquhart, City of Douglas representative for Kalamazoo Lake Sewer and Water Authority, reported the Laketown Township sewer capacity contracts were approved by KLSWA. As an engineer, Urquhart noticed some engineering problems with the document and is concerned that Douglas has no voice in an engineering study.

Written:

- A. Saugatuck Township Fire District 2007 Annual Report (sections relevant to Douglas)
- B. Letter from State of Michigan, Liquor Control Commission, dated January 11, 2008 RE: Notice of Denial of an Application by Lakeview Lanes Acquisition, Inc. (Deleted)
- C. Articles Submitted by Suzanne D. Dixon; "Michigan's Greatest Asset, Part 1: Dredging Up Funds" and "House Bill Could Provide Grants to Coastal Businesses"
- D. Michigan Municipal League Training Seminars 2008; Makers of Breakers of Communities: The Effect of PA 198 Property Tax Breaks
- E. Michigan Township Services (MTS) Summary of Permits Issued – December 2007
- F. Letter from Ms. Janet Lugers dated January 7, 2008 RE: Concerns Regarding the Financing of Infrastructure Relating to the Proposed West Shore Cottages Development

Written communications noted as filed and received.

#### 8. Unfinished Business

A. Discussion RE: Proposed Purchase by City of Certain Property Located at the SE Corner of Center and Washington Streets

Information was provided to council members by Realtor Dick Waskin. Council agreed the property is a beautiful piece of land but feel it is not affordable.

Hoexter related she would someday like to be able to use City funds on things that council really wants to do instead of feeling forced to make repairs on bridges and roads that the State or County should be responsible for.

#### 9. New Business

A. Motion to Refer Proposed Resolution No. 10-2008 to Planning Commission for Its Review And Recommendation to City Council Regarding Article XXIX, Zoning Board of Appeals, of the City of the Village of Douglas Zoning Ordinance

Kowal related the Michigan Enabling Act allows reduction of a Zoning Board of Appeals based on population. The proposed Ordinance reduces the Douglas ZBA to five (5) members plus an alternate. This change requires action and a public hearing by the Planning Commission along with first and second reading at City Council.

Motion by Bailey with support from Moore to approve referring

Resolution No. 10-2008 to Planning Commission for its review and recommendation to City Council regarding Article XXIX, Zoning Board of Appeals, of the City of Douglas Zoning Ordinance. Motion carried unanimously by roll call vote.

B. Discussion of Status of Proposed Center Street Settlement Agreement  
Attorney Mulder related he began working on a solution to the Center Street pavement issues in 2007. A draft agreement between the engineers, contractor and sub-contractors will be presented at a March council meeting. The three parties have agreed to share costs with repairs and repaving completed before Memorial Day.

C. Motion to Adopt Resolution No. 04-2008 Approving a Proposal from Williams & Works to Perform Professional Information and Data Gathering and Reporting Services with Regard to the Grant Program Requirements of the Michigan Economic Development Corporation  
Kowal related the Center Street reconstruction was completed with funds from various sources. The largest amount was a MEDC grant of \$600,000. A condition of this grant was that 31 jobs would be created within Douglas Harbor Village. After discussion with representative of MEDC they may consider jobs created within the entire Center Street project (from Blue Star to Washington) Williams & Works will be compiling specific information to create a baseline of existing jobs beginning in 2005. The City needs to show a good faith effort that we intend to comply with the terms of the grant. Mayer expressed her concern that the three Harbor Village buildings are not yet completed. She doesn't feel that taxpayer money should be spent to do the survey.

Waddell commented this is something that should have been done long ago when the project first started.

Mulder explained the obligation is on the city to try to show job creation is happening on more than just a specific site.

Motion by Harvath with support from Bailey to approve adoption of Resolution No. 04-2008 to accept a proposal from Williams & Works to perform professional information and data gathering and reporting services with regard to the grant program requirements of the MEDC. Motion carried by roll call vote with Mayer casting a "no" vote.

D. Motion to Adopt Resolution No. 05-2008 Accepting the Proposal of Fleis & VandenBrink to Provide Various Engineering Services Relating to the Wiley Road Improvement Project

Kowal reminded council of the decision to take a grant buy-out of \$55,200 to repair the road without direction of the State. Resolution No. 05-2008 accepts engineering fees of \$49,800.

Moore asked if we have \$200,000 to complete this project or if there are

more critical projects. Didn't council agree to table until a full infrastructure study is complete?

Kowal related Fleis & VandenBrink has completed an inventory and a rating schedule of roads. We do not have a Capital Improvement Plan in place.

Mayer commented on the additional costs for an inspection of the sanitary sewer on Wiley.

Harvath asked about the status of the removal of the driveway at Blue Moon and said we need to do a better job of monitoring road cuts. Waddell indicated she prefers to wait and see the outcome of the Center Street repairs.

Motion by Harvath with support from Bailey to adopt Resolution No. 05-2008 accepting the proposal of Fleis & VandenBrink to provide various engineering services relating to the Wiley Road Improvement Project. Motion fails 5-1 with Bailey casting the only "yes" vote.

#### E. Discussion of Denial by MDOT of 2007 Blue Star Bridge Rehabilitation Grant Application and Status of Proposed 2008 Application

Engineer Steve Bishop related his thoughts on why the application was denied. He feels there are just many other bridges in worse shape. The next deadline for application for 2011 funding is in June 2008. Bishop will work on re-submitting and make an effort to bring application to the top of the list. The primary problem is the pier caps are corroding. The next inspection will be done late in 2008. He suggests not imposing load limits until after inspection.

Hoexter asked if MDOT is aware that when I-196 is closed due to an accident that Blue Star is the detour.

#### F. Discussion of Proposal by Consumers Energy to Remove Two (2) Luminaires (Cobra Head) Streetlights on Center Street at a Cost of \$1,194.40

Bishop related that after the new streetlights were installed these two lights remained.

Harvath asked if we had to have Consumers Energy remove them.

Hoexter stated she detests having to pay for removal.

Bishop will check to see if they can just be turned off and report back. No further action will be taken until then.

#### G. Motion to Adopt Resolution No. 06-2008 Approving a Lot Split Combination (Parcel No. 03-59-100-029-00 and Parcel No. 03-59-100-031-00; commonly known as 68 Washington and 63 Main Street, Douglas, MI)

Planning/Zoning Consultant Kilpatrick explained the intention of property owners Turner and Dziejewit to purchase 63 Main Street and combine it with their parcel at 68 Washington. Applicants indicate they will remove existing buildings. Once combined the total land area could accommodate three legal lots.

Motion by Harvath with support from Mayer to adopt Resolution No. 06-2008 approving a lot split/combination (Parcel No. 03-59-100-029-00 and 03-59-100-031-00) commonly known as 68 Washington and 63 Main Street. Motion carried unanimously by roll call vote.

H. Motion to Adopt Resolution No. 07-2008 Approving a Lot Split Combination (Parcel No. 03-59-016-053-00 and Parcel No. 03-59-016-00; commonly known as 156 Union and 148 Union, Douglas, MI) Kilpatrick presented the request from Helen Arnoldi and Peter Mark for a lot split and combination of parcels 03-59-016-00 and 03-59-016-003-00 known as 156 Union and 148 Union. It is recommended that approval be conditioned upon Mr. Marks acquisition and combination of his parcel and an eight foot easement to ensure all parcels remain in conformance with required zoning.

Motion by Mayer with support from Moore to adopt Resolution No. 07-2008 approving a lot split and combination for 156 Union and 148 Union Street. Motion carried unanimously by roll call vote.

I. Motion to Adopt Resolution No. 08-2008 Establishing Escrow for Site Plan Review of the Proposed Boardwalk at Swing Bridge Project Kowal related that citizens should not have to pay for site plan and engineering review for developers. An escrow is a way to hold developers accountable.

Harvath commented it is important to be consistent in establishing and enforcing escrow accounts for all site plan reviews.

Mayer agreed that citizens should not pay for developers plan reviews Moore commented he feels it is part of the staff's job to do resolutions and site plan review. That is what taxes are for.

Motion by Moore with support from Harvath to adopt Resolution No. 08-2008 establishing escrow for site plan review of the proposed Boardwalk at Swing Bridge Project. Motion carried unanimously by roll call vote.

J. Motion to Adopt Resolution No. 09-2008 Declaring City of the Village of Douglas Property Surplus and Authorizing Disposition

Kowal related this resolution gives authorization to dispose of property, place an advertisement and set a minimum bid amount.

Motion by Harvath with support from Mayer to adopt Resolution No. 09-2008 declaring City of Douglas property surplus and authorizing disposition. Motion carried unanimously by roll call vote.

K. Motion to Authorize the Mayor and City Clerk to Execute on Behalf of the City of the Village of Douglas a Memorandum of Agreement Regarding Collection of Summer 2008 School Taxes

Motion by Mayer with support from Hoexter to enter into an agreement with Saugatuck

Public Schools to collect 2008 summer school taxes with reimbursement of \$2.75 per parcel. Motion carried.

#### 10. Staff Reports

##### A. Building/Planning/Zoning/Enforcement:

1. Letter from City Manager Kowal to Mr. Brent DeRose, Nederveld, dated January 8, 2008 RE: Boardwalk at Swing Bridge Stop Work Order dated December 28, 2007

2. Email communication from Mr. Larry Nix to Attorney Bill Sikkel dated January 9, 2008 RE: Status of Proposed West Shore Cottages Development

3. Letter from City Manager Kowal to Mr. Jeff Klemm, Maxwell Development, dated January 10, 2008 RE: Outstanding Matters; Meadowargus Development

4. Letter from City Attorney Mulder to Mr. Mark Von Der Heide, Von Der Heide Architects, Inc. dated January 11, 2008 RE: Blue Moon Site Plan Non-Compliance Matters

5. Email Communication for Planning & Zoning Consultant, Ryan Kilpatrick, to Ms. Laura Durham, Mill Pond Realty, Inc., RE: Violation of City Sign Ordinance (Blue Star Hwy R.O.W.)

6. Letter from Planning & Zoning Consultant, Ryan Kilpatrick, to Mr. Jeff Wilcox, Coldwell Banker, dated January 15, 2008 RE: Violations of City Sign Ordinance

Kowal briefly reviewed above letters included in packets.  
Mulder commented on the recent adoption of a State Corridor Improvement Authority.

#### 11. Committee Reports

##### A. Zoning Ordinance Ad Hoc Committee

Committee met earlier today making very good progress.

##### B. Planning Commission

Waddell reported the Planning Commission members received a draft of the ordinance rewrite at last weeks meeting. Draft will be reviewed and on the agenda in February.

##### C. Community Recreation Advisory Board

Bailey reported the Rec. Board is working with Sara O'Donnell on putting together a Recreation Plan and will be looking for public

input.

Harvath asked about the Beery Field ice rink. Kowal will check into.

#### D. Kalamazoo Lake Sewer & Water Authority (KLSWA)

Moore reported the KLSWA met earlier today. Dan Urquhart reported on the meeting under verbal communications.

#### 12. Council Comments

Moore asked if council would consider making an offer on the Washington Street property what needs to be done first. Kowal responded we should decide how badly do we want it and what we are willing to offer. A Capital Improvement Plan should act as a guideline before we jump into another expense. Mulder related this could be a closed session discussion.

Harvath thanked Kowal for initiating escrows for developers. We need good checks and balances in place to follow through and track projects.

Harvath asked about progress with the Saugatuck Public School violations.

Bailey asked about the formation of the Harbor Committee.

Mayer commented we need to decide on priorities of projects.

Waddell commented the City website address does not appear on letterhead.

#### 13. Mayor's Report/Comments

None

#### 14. Approval of Invoices

##### A. Consideration of Approval of Invoices dated 1/17/08

Motion by Hoexter with support from Bailey to approve invoices dated 1/17/08 in the amount of \$152,977.29. Motion carried unanimously by roll call vote.

#### 15. Manager's Report

A. A copy of the zoning ordinance with the adopted changes from 1999 was given to council members

B. Interviews for Zoning Administrator are complete. A recommendation will be forthcoming in February.

C. Help wanted ad for a Treasurer has been placed on various websites.

D. Kowal will meet Wednesday, January 23rd with Warner Norcross and Judd to discuss creation of the Harbor Committee.

E. In regards to the statements from Dick Waskin having no financial interest in the Swing Bridge project, he is clearly the exclusive listing agent.

#### 16. Hear from the Audience (Limit three minutes for general comments)

No comments

#### 17. Closed Session

Motion by Moore with support from Harvath to go into closed session at 9:56 p.m. to discuss legal opinion. Motion carried unanimously by roll call vote.

Motion by Harvath with support from Moore to end the closed session and return to the regular meeting at 11:09 p.m. Motion carried.

Kowal asked Attorney Mulder to issue a legal opinion on the Park Drive paving and utility issues to be reviewed in a future closed session.

18. Adjournment

The meeting was adjourned at 11:10 p.m.

Respectfully submitted by:

Jean E. Neve, CMC  
Clerk

Approved by: \_\_\_\_\_  
Matt Balmer, Mayor

Certification of Minutes

I hereby certify that the attached is a true and correct copy of the minutes of a regular meeting of the City Council of the City of the Village of Douglas held on January 21, 2008. I further certify that the meeting was duly called and that a quorum was present.

\_\_\_\_\_  
Jean E. Neve, City Clerk Date