

**VILLAGE OF GRAND BEACH  
REGULAR COUNCIL MEETING  
APRIL 19, 2017**

**CALL TO ORDER**

Council president Paul Leonard Jr. called the regular council meeting to order at 7:30 p.m. EST. Present in addition to Leonard were Deborah Lindley, Frank Giglio and Blake O'Halloran. James Bracewell was not in attendance as he was out of town.

**ADOPT AGENDA**

Leonard moved, seconded by O'Halloran to adopt the agenda as presented with the addition of "*Village Hall Wi-Fi and Firewall*" to unfinished business. Motion carried unanimously 4-0.

**APPROVE MINUTES**

O'Halloran moved, seconded by Leonard to approve the minutes of the Budget Work Session of March 14, 2017. Motion carried unanimously 4-0.

Giglio moved, seconded by O'Halloran to approve the minutes of the Regular Council Meeting of March 15, 2017. Motion carried unanimously 4-0.

**PRESENTATIONS/RECOGNITION:**

**2015/2016 AUDIT PRESENTATION BY KRUGGEL, LAWTON & COMPANY**

Brian Hake of Kruggel, Lawton & Company discussed the audit for fiscal year ended October 31, 2016. Hake said he met with Clerk Mary Robertson and President Paul Leonard previously and went over the financial statement in detail. As in prior years, their firm issued an unmodified or clean opinion which is the highest level they can give and that means the statements are accurately presented in all material respects and the disclosures are complete and consistent.

The General Fund ended the fiscal year with a fund balance at \$1,068,615 which is an increase of \$51,331 over last year. There is approximately 16 months of expenditures in the fund balance which is considered very healthy.

There was a small increase in income in the Water Fund of about \$71,000 and the Golf Fund ended up with a surplus of \$27,000. The profits in these funds are intended to go towards projects in the future.

Hake spoke about the need to report the pension liabilities in the audit. He said the Village is doing what they are supposed to do as far as funding the pension, and there will be a small liability this year with many municipalities having very large liabilities. Leonard said that the pension reporting in the audit gives the Council a roadmap to follow so that we don't fall behind on our pension. This gives us information that we need to know when we work on our budgets.

This year's audit required new reporting for ACT 51 street funds to recognize if the funds were spent appropriately and there were no findings to report. Hake will continue to work with Robertson to get all of the reports filed with the state.

**SOUTHWEST MICHIGAN PLANNING COMMISSION – E. COLI REPORT**

Marcy Hamilton of Southwest Michigan Planning Commission was scheduled to give a report, but she was ill and sent an update to Leonard. He said last year we had dogs come through and start sniffing for

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the presence of human waste in the creek that flows through Grand Beach. They did find E. coli in the creek and samples were sent to different agencies in the state for testing. White Creek is on the list of the most polluted water ways in Michigan. The samples indicate three hot spots that include the area where the creek enters the Village from across highway, the area where the creek comes in from Indiana and where the creek flows into Lake Michigan.

Leonard said there will be a meeting with New Buffalo Township, Grand Beach, Michiana, Berrien County Health Department and the LaPorte County Health Department to try and determine what is causing the problem. They want to do dye testing which will help them find out where leaks are coming from in order to repair pipes or septic systems that might be leaking. The Council will discuss an ordinance in the future that requires homeowners to have their septic systems inspected prior to selling their home.

Leonard stated that parents should not let kids get near White Creek because it is dirty and highly contaminated.

Bob Dabbs told the Council that County Commissioner Ezra Scott contacted him and told him that Michigan Shores subdivision got an emergency permit from the Department of Environmental Quality (DEQ) to change the flow of the creek so that it runs along the pier. Leonard will contact Ben Zimont of the DEQ and County Commissioner Ezra Scott.

### **REPORT ON THE DAMAGE TO SEAWALLS, DUNES AND PROPERTY ALONG THE LAKEFRONT**

Leonard spoke about the damage to seawalls, the dunes and lakefront properties. He said that the Village does not get the sand that it used to get because of the breakwater in New Buffalo. The Army Corps of Engineers (ACOE) knew that the sand would not come down south of New Buffalo after they built the breakwater and because of that, they were pumping sand from 1975 to 1995, and the sand would find its way down to Grand Beach. From 1995 to present there has been no money in the federal budget for beach nourishment, and they have been told that there will not be any money available because it is spent to take care of commercial harbors and New Buffalo is not a commercial Harbor.

Forest Beach had 30-40 feet of beach two years ago, and now they have nothing because the water is all the way up to the rocks. Without beach nourishment, Grand Beach won't have any beach.

The New Buffalo Shoreline Alliance is in preliminary discussions with New Buffalo to find a plan at a local level to nourish the beaches south of New Buffalo.

Leonard said the high energy wave action recently took down a large section of seawall in the old section of Grand Beach. Leonard spoke about a pool, decks and seawalls that were damaged recently, and said he found out today when he spoke with Ben Zimont of the DEQ that the bluff at the Denny's property and what was formerly the Greeley property next door is failing. Fissures have opened up at the top of the bluff and it is sliding down toward the lake. He said the two residences are at severe risk.

No permits have been issued, but the ACOE and DEQ have a policy of discretionary enforcement and if there is an event like this and homes are at risk, they will not stop homeowners from doing emergency work to save the property. The ACOE and DEQ will allow the placement of armor stone in front of the

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seawalls and once all of the stone work is in, damaged sections of seawall will be removed, and they will work toward a permanent solution.

The water in front of the Denny's seawall is seven feet deep and in order to have beach there, someone will have to dump a lot of sand there or the water is going to have to recede by seven feet. This is a crisis that the Village is facing with the bluff itself failing. We cannot delay allowing the homeowners to have the work done.

When Arie Donkersloot told the Council that the Denny project would take six weeks and they might have to work past Memorial Day, residents didn't want anything done during the summer months. Leonard said we are going to have to do something because this is an emergency.

### **COMMISSION REPORTS**

Building & Zoning: Bracewell was not in attendance.

Parks & Beaches: Giglio reported that we'll have to wait and see what happens with the beaches, adding that we might have beach by the pier and Walnut Avenue. There was a report that the lake has risen 3 1/2" recently and if we get more rain, more of the beach will be washed away.

Streets & Water and Police: Leonard and Lindley had nothing to report.

Pro Shop & Golf Course: O'Halloran said that the Council talked about a paver brick program in front of the entrance to the pro shop where people will be able to memorialize a loved one or honor a family on a paver brick for a donation of \$150 for a 4" x 8" brick and \$300 for an 8" x 8" brick. He passed around a sample of the brick and order sheets to those in attendance.

O'Halloran said the golf course made money last year, but they don't want to use that money for renovations in case something else comes up. The General Fund does not put any money into the Golf Fund, so we will raise funds through the brick program to renovate the pro shop. Several families have donated two concrete picnic tables to Grand Beach to memorialize their family members.

### **SERVISCAPE REPORT**

Clay Putnam of ServiScape reported that annual maintenance is underway. The equipment that was purchased has been delivered with the exception of one item to be delivered soon. Last month there was discussion about feasibility and due diligence studies and he has talked with two firms who gave him an estimate for a master plan for the golf course ranging in cost from \$7,000-\$15,000 and a feasibility and due diligence study started at \$5,000-\$25,000 depending on what firm is used. O'Halloran thinks it is very important to pursue this so that there is a plan going forward and asked Putnam to get proposals for the Council.

### **PERSONNEL REPORTS**

Superintendent and Police Chief: Nothing to add in addition to their written reports.

Building Inspector: Bill Lambert said there have been four new building permits issued with many jobs well underway.

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### **PAY BILLS**

Leonard moved, seconded by Lindley to approve the payment of the bills with the written additions as presented. Motion carried unanimously 4-0.

### **UNFINISHED BUSINESS**

#### **WOODEN WALL FOR GOLF CART ELECTRIC CHARGERS**

Leonard moved, seconded by Giglio to approve an expenditure of up to \$2,400 to build a wooden wall for the electric golf cart chargers to be paid with surplus funds in the Golf Fund. Motion carried unanimously 4-0.

#### **WALKWAY ALONG ROYAL AVENUE**

Leonard said at the last meeting we talked about putting an asphalt walkway in on the opposite side of Royal Avenue from the golf course to keep walkers safe. Bob Dabbs came back and said that asphalt won't work, but received bids for a five feet wide concrete sidewalk. Proposals were received from C and H Concrete, LLC \$36,963.00, Dennis Deutscher \$28,501.48, Falatovics Construction LLC \$51,480.00 and Workman Concrete Inc. \$37,092.00. Giglio discussed drainage in the area because the golf course drains under the road into the drainage area and the sidewalk will drain into the same area. There was discussion from audience members who felt the sidewalk was not necessary. No action was taken on the sidewalk.

#### **VILLAGE HALL WI-FI AND FIREWALL**

Leonard stated that at the last meeting the Council talked about installing Wi-Fi to the Village Hall and the need to keep it separate from the Village offices. We received a new proposal today from The Tech for the installation and lease of a Sonicwall TZ400 and three wireless access points at an estimated monthly cost of \$184 and a one-time fee of \$620 for installation and setup. Leonard said the proposal is based on leasing rather than purchasing and with purchasing, the equipment becomes obsolete very quickly, so leasing might be a better route than buying equipment. Chief Schroeder told the Council that the first proposal included one access point and there will be much better coverage with this proposal because it includes more access points.

O'Halloran stated that he wants to make sure that whatever system we put in, the Village will be able to accept credit cards online in the future for the pro shop. Schroeder said the proposed firewall is commercial grade and it is very secure and he doesn't think there would be a problem running off of this equipment.

### **NEW BUSINESS**

#### **PARKING BUMPERS**

Leonard moved, seconded by Giglio to purchase seven parking bumpers at a cost of \$520 to be used at the edge of the parking lot near the golf cart parking using surplus funds in the Golf Fund. Motion carried unanimously 4-0.

#### **WALNUT STREET BEACH REVETMENT WORK UPDATE**

David Wolf of Oselka Constructors told the Council that the work along Ridge Road will take two flat water days to be completed. He said the water where they are working is deep and if there is a two foot chop, they can't work. Once they have two flat days, they'll get all of their equipment out of there and repair the easement.

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After questions from the audience, Wolf said that rocks on the beach at the bottom of the stairs will be put up against the bluff at Malachowskis. They will probably take the concrete barriers that are down there back with them. They will make a pass through and grab the rocks that are exposed.

### **COMCAST - RESOLUTION AND FRANCHISE AGREEMENT**

Lindley moved, seconded by Leonard to adopt a resolution to approve the Comcast Franchise agreement as presented with a 3% franchising fee. Motion carried unanimously 4-0.

### **PEDDLER'S ORDINANCE**

Leonard stated that last year there were issues in the Village with people coming in and asking residents for donations. He read the peddler's ordinance that was prepared by Village Attorney Sara Senica.

Leonard moved, seconded by Giglio to adopt the Peddler's Ordinance as presented with a change to *Section 4(e)* adding "within the confines of the Village" to the end of the sentence and a change to *Section 7* to state that a license may be "temporarily" suspended or revoked and to give the authority for license suspension or revocation to the "Village Council President or Police Commissioner". Motion carried unanimously 4-0.

### **RESOLUTION – SET FEES FOR PEDDLER'S LICENSE**

Leonard moved, seconded by Lindley to adopt a resolution as presented and to set the fee for a Peddler's license at \$25.00. Motion carried unanimously 4-0.

### **GRAND BEACH LAND DEVELOPMENT PROPERTY SALE DISCUSSION**

Leonard said that Grand Beach Land Development (GBLD) approached the Village to say that they are giving the Village first option at purchasing the approximate 42 acre parcel that includes the driving range. The property was previously appraised at \$3,000,000. Ellen Frankle of GBLD said that they have not had a new appraisal done since they gave the private roads to the Village. The Village was interested in purchasing the driving range, but they were not interested in selling the range separately.

Leonard said that the Village can't borrow \$3,000,000 and if we partnered with others, there would be restrictions on the property. He thinks it makes more sense for the Village to work with a developer to develop the land and create green space.

O'Halloran said that that the Village has a Parks & Recreation Plan in place to allow us to apply for a grant through the state of Michigan. He said we can hire a company to write a grant at a cost of approximately \$7,000-\$10,000, and we would submit the grant request next March and find out in November 2018 if the grant request was approved. We could work with Chikaming Open Lands on the purchase of the property. The grant from the State of Michigan requires a 25% grant match.

The matter was tabled until the May meeting when Jim Bracewell will be here to get his input.

### **DRIVING RANGE LEASE**

Leonard moved, seconded by O'Halloran to approve the driving range lease with Grand Beach Land Development as presented. Motion carried unanimously 4-0.

### **WATER BOND PAY-OFF**

Lindley suggested holding off on the water bond pay-off so that the funds that would be used to pay off the bond would be available if the Village decides to purchase the property from GBLD. Lindley moved,

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seconded by Giglio to table the discussion of the Water Bond Pay-Off until the July meeting. Motion carried unanimously 4-0.

### **DONATION FOR UPKEEP OF THE JOHN FOX MEMORIAL GARDEN**

Leonard said that the Village received a \$500 donation from Colleen Hirst for the upkeep of the John Fox Memorial Garden. The Clerk will send a thank you letter to Ms. Hirst.

### **BUDGET REVIEW 2017/2018**

Leonard said the Council has received the budgets to review before the special meeting. There will be a public hearing on the budgets on May 17th at 7:15 EST, with a Special Meeting on May 31st at 7:00 EST to adopt the budgets.

### **SHORT AND LONG TERM DISABILITY, LIFE INSURANCE FOR FULL-TIME EMPLOYEES**

Leonard said there was discussion at the budget work session about providing short and long term disability insurance to all full time employees of the Village. He said other communities offer this to their employees and this would make it easier for the Village to recruit qualified people.

O'Halloran moved, seconded by Lindley to approve short and long term disability and life insurance through MetLife for full time employees paid with a reduction in their annual pay increase in November from 3% to 2%. Motion carried unanimously 4-0.

### **ATV BIDS**

Leonard moved, seconded by Lindley to purchase an ATV from Zeigler Motorsports for the water department at a cost of \$12,741, with the purchase of a windshield for the police department's ATV out of the police budget. Motion carried unanimously 4-0. A bid was received from Westfield Powersports, Inc. at a cost of \$11,797.00 for the ATV without a windshield.

### **MERRITT ENGINEERING PROPOSAL – REGARDING ROBIN LANE EASEMENT**

Leonard said the Village received a proposal from Merritt Engineering for a survey, design and permit work at the Robin Lane beach access to provide access for people and emergency vehicles to the beach. He said there is currently no beach in the area, and there is revetment work being done on the lot next to the beach access and he doesn't think this is a good time to have the engineering done. If and when we get to a point where we want to open up Robin Lane, the Council knows it will cost about \$10,000 for the engineering.

### **STREET PAVING BIDS**

Leonard moved, seconded by Giglio to approve the bid from Rieth & Riley as presented at a cost of \$145,966 to be paid from funds available in Street Funds and the remainder paid out of the fund balance in the General Fund. Motion carried unanimously 4-0. A bid was received from Michigan Paving & Materials Company in the amount of \$293,500.

### **TELEPHONE SERVICE**

Leonard moved, seconded by O'Halloran to hire a telephone technician to come in to help with the telephone service at a cost not to exceed \$1,500. Motion carried unanimously 4-0.

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### **HALL RENTAL REQUESTS**

O'Halloran moved, seconded by Leonard to approve hall rental requests for a Surprise Party – May 26, 2017, Kevin O'Neill – July 8, 2017 and Mary Kenny – November 23, 2017. Motion carried unanimously 4-0.

### **AUDIENCE RECOGNITION**

Leonard said that the Council is aware of all of the letters, emails and phone calls from everyone regarding the proposed seawall work. The Council is trying very hard to balance our interests for those that want to use the beach and those that need to have the emergency work done to protect their property. With a bit of luck, the heavy work will be done by Memorial Day.

The Council heard from several members of the audience regarding the sea wall and revetment work that is being done and the condition of the beach. There was concern that the debris that was left on the beach after recent storms would not be cleaned up because the Village would not be able to get down to the beach since a contractor is using the Royal beach access to move large rock to different properties. Leonard assured the audience that the Village will clean up the part of the beach that is in Grand Beach before Memorial Day as we do every year.

O'Halloran asked everyone to keep in mind that people are fighting to save their homes. He asked everyone to please understand, be compassionate and support the people that are having problems and to be a Village. He said that most of the people in the audience have lived here for a long time and have seen the cycles. He said he hopes the beach comes back, and they'll have to deal with the effect that caused the problem.

### **CORRESPONDENCE**

GEORGE KEELER – THANK YOU CARD

ROBERT GORDON – DAMAGE TO PROPERTY

ANGELA TRAINOR – SEAWALL REPAIR LETTER & PETITION

VOTAVA – SEAWALL REPAIR LETTER & PETITION

WEIGEL/BOYD – SEAWALL REPAIR LETTER

PEGGY BOLGER – SEAWALL REPAIR LETTER

JUDY HOPKINS – SEAWALL REPAIR LETTER

ED SEBASTIAN – SEAWALL REPAIR LETTER & PETITION

### **ADJOURNMENT**

Leonard moved, seconded by Giglio to adjourn. Motion carried unanimously 4-0.

With no further business, the meeting was adjourned at 11:14 p.m. EST.

Respectfully Submitted,

Mary J. Robertson  
Clerk-Treasurer