

**The Village of Lexington Common Council held a Public Hearing and a Regular Council Meeting Monday, December 19, 2022 in the Council Chambers at 7227 Huron Avenue, Lexington, MI 48450**

**Public Hearing Called to Order** at 7:00 p.m. by President Kristen Kaatz  
**To hear comments on amendments to the DDA ordinance (Chapter 26, Article II Section 26-32), and the DDA Plan which includes a proposed expansion to the district boundaries.**

**Public Comment –**

**Larry Adams-** Asks about library is not being in it and millage.

**CIB responded –** Act 57 was passed, gives libraries a chance to opt out but the local library has not.

**Peter Muoio-** Asks about who sends out notifications to all taxing jurisdictions and ask about immediate projects at this time

**CIB responded –** Letters were sent to taxing jurisdictions by Village Clerk and DDA. No specific projects at this time.

**Doug Roehl – 5410 William Drive –** Asked if the TIF funds can only be used in the DDA district and is that State Law and or by the plan? Also stated the plan does not state that.

**CIB –** Correct funds can only be used in the DDA district, and it is by State Law. Page 14 designated development area.

**Ed Jarosz-** Asked about the baseline of where the DDA is today? Baseline for the expansion. Asked what millages would be tracked that we wouldn't track?

**Kaatz** asked if the baseline was broken into the districts.

**CIB responded –** On set base was \$1,921,000 and 11,230,437. Expansion increases by 2046 \$18,000,000. Jurisdictions can negotiate with DDA to retain growth, in this case the DDA will capture it this time in the current baseline.

**Kaatz –** Gielow expansion possible purchase, in the DDA district and possible funding

**CIB-** All the funds that are captured in the DDA, they can budget and allocate funds for certain projects, specific projects that is a significant that is a large investment and gap in finance DDA could commit future revenues back to the general fund for that project.

**Mike Fulton –** If council gave a tax abatement how would affect the DDA funds.

**CIB responded –** DDA would not capture any taxes until the abatement is lifted.

**Peter Muoio-** Taxing jurisdictions funding for public services, services impacted funding under very little money.

**CIB -** Only part they will not receive is the change in property values. If property values go up, they will receive the baseline and the remainder goes to the Village.

**Mickey Bender –** Right now there are eight blighted properties in the new DDA district, DDA could offer potential funding for improvements brings more tax funding for the DDA and the Village.

**Doug Roehl-** Why would the Village dedicate to their increase just to the DDA why not pull out of the TIF and use the money other projects?

**Mike McGovern – DDA Chairperson-** There are 46 taxable properties being added. Any home and business not within the DDA will build the economy and those taxes don't go to DDA. All new value goes to the Village.  
**Closed Public Hearing** at 7:45 p.m.

**Public Hearing Called to Order** at 7:46 p.m. by President Kristen Kaatz  
**To hear comments on the 2023-2027 Parks & Rec 5-year Plan.**

**Public Comment –**

**Andrew Litman –McKenna** - Explained the plan. County and DNR has to approve to be eligible for grants. No comments were received. Board had 2 changes, update in December page 25 statement Village's intentions to honor its obligation under memorandum of understanding with the DNR and page 54 addition of a ship's viewing station.

**Public Comment –**

**Kathy DeCoster –** Asked about the memorandum of understanding.

**Kaatz responded.**

**Peter Muoio –** Asked Cutright about the time frame.  
Cutright responded.

**Karen Henige –** Asked about addressing the park in the Lexington North Shores, stairs and beach.

**Kaatz responded-** Beach and new playground is included in the plan.

**Larry Adams-** Comments regarding Sparks Grant part of the covid funding. Limited amount of money. Cutright has already looking with help get money to help with the MHP.

**Kaatz-** Explains DNR Trust Money.

**Dennis Klaas –** Questions regarding Sparks grant and applications and priorities by input.

**Cutright-** Explained the process.

**Arlette Sutton –** Parks and Recreation did not get to decide to where the grant would be used. Why wasn't brought to Parks and Rec.

**Kaatz –** Explained the grant was already in process and that it was not submitted so the same grant was used for the Spark Grant.

**Dennis Klaas –** Asked why this grant was not taken to Parks and Rec?

**Sheila Klaas –** Asked about the grant and stated that is why everyone is so upset.

**Karen Heinge –** Asked when this was worked on?

**Dennis Klaas -** Moving forward we need to work together. Parks and Rec has put in a lot of work and going forward proper boards need to be notified.

**Larry Adams –** We talked about this before miscommunications.

**Doug Roehl –** Plan is well written

**Larry Adams -**Comments regarding previous plans.

**Closed Public Hearing** at 8:16 p.m.

**Call to order the Regular Council Meeting at 8:25 p.m.** by President Kristen Kaatz

**Pledge of Allegiance** led by President Kristen Kaatz

**Roll call taken by** Clerk Vicki Scott

**Present:** Adams, Muoio, DeCoster, Kaatz

**Absent:** – Mills

**Others present:** C. Cutright, T. Shoudy, M. Bender, and 65 citizens

**Public Comment:**

- Sheila Klaas (5408 Union) – commented and thanked people that came out for the support. Klaas explained she ran for the Council 4-year seat legally and fairly as a write in candidate.
- Lucrecia Ferriby (5401 William Dr.) – commented she is here to support Shelia Klaas as a council person.
- Doug Roehl (5410 William Dr.) – commented he is here to address an item that Chief Sheldon wants to put up no parking signs. Trucks are still lining up idling all night.
- Karen Brandon (7170 Huron) – commented on filling the council vacancy and setting precedence.
- Mike Keller (5390 Union) – commented on supporting Shelia Klaas.
- Dave Warren (5203 Main – Lot #80) – commented on voters elected Shelia Klaas.
- Ed Jarosz – commented on how the Council should amend the agenda to put the rules decision behind the appointment of the 2 vacant seats.
- Dave Zielinski (5203 Main – Lot #25) – commented on the no parking signs on Denissen St. to include no standing as well.
- Beth Grohman (4255 Babcock) – commented on the work involved putting together a special council meeting then have some people Saba-tosh Friday's meeting to approve a grant that would benefit the Village; people assume they know what is going on but they do not have all the facts; how it is a conflict of interest to hire the manager's father to do a job and asked why he hasn't been paid.
- Jim Gresock – commented on the no parking/no standing signs to have the ability to bag over the signs during a funeral precession or a parade route.
- Denny Klaas (5408 Union) – commented on not being a fan of Village employees speaking about other employees at a funeral without any facts.
- Dina Wurmlinger (7211 Park) – commented on all the money being spent on attorney fees.
- Craig Gielow – commented on the trucks being run have perishable food on them which need to remain running.
- Chris Sutton (7035 Huron Ave.) – commented on the street lighting down at the harbor. It was talked about before Allie was hired as manager. It was approved for materials only. If anyone has questions, I will address them after. I am looking to be reimbursed for the materials.

**APPROVAL OF AGENDA** – Motion by Muoio, seconded by Adams, to approve the agenda as amended adding E.2. Spark Grant, and moving items L. & M. up to C.2 for item M and C.3 for item L.

All ayes

Motion carried

## **BUSINESS**

### **ADMINISTRATION**

**A. BILL SARKELLA** – (County Commissioner) – This will be my last meeting with you. Evans Ehardt will be the new District 3 County Commissioner. We will be approving our sheriff contracts tomorrow. Negotiations will be completed at that point. Our budget was approved at 16.68 million. Some great news we used some ARPA funds to pay off one of the jail bonds, which will save the county approximately \$90,000 per year over 18 years along with \$400,000 in interest. The Sheriffs Dept. received a donation to purchase 6-wheel ARGO which will allow them to do rescues anywhere in the County. We approved our drain bond as well.

**B. UHY AUDIT PRESENTATION** – Scot Hoskins explained the audit started a little later than normal. Once it got going, it went very smoothly. We are in the process of finalizing this report. Hoskins explained the highlights of the financial statements. Hoskins explained the long-term liabilities associated with the MERS pension plan and the OPEB retirees' health care plan. The unrestricted deficit is due to the MERS and OPEB liability. The Village is meeting these funding obligations. The Village has added to the governmental activities \$97,000, and \$211,000 to the business type activities. The Village has added a modest amount to the fund balance this year. The water, sewer and mobile home park funds are remaining stable. The cash balances have remained the same as last year. My suggestion would be looking into another rate study for the water & sewer rates going forward and see where the projections are. This in an area you don't want to fall behind in with infrastructure projects ahead. We indicated the Village did not have any overages that had to be reported from the adopted budget. Hoskins explained with the pension & OPEB liabilities you have to meet a threshold of 60% funding. The Village is at 61.17%. The OPEB plan is going well. The Village has doubled it since last year. The Village did very well within their budget this year. There is only (1) deficiency in internal control that is reported. This is reoccurring each year as the Village does not have the in-house capability to prepare this financial statement. Most municipalities have this. The water department will start an inventory list going forward.

**C. MINUTES** – Motion by Adams, seconded by DeCoster, to approve the minutes of the Special Council Meeting of November 18, 2022 as presented.

All ayes

Motion carried

Motion by Adams, seconded by DeCoster, to approve the minutes of the Regular Council Meeting of November 28, 2022 as presented.

All ayes

Motion carried

**C. 2. (M) – 4-YEAR COUNCIL SEAT VACANCY** – Shoudy explained to clarify up front with the reference to a 4-year council seat and a 2-year year council seat, under the law with these 2 vacancies, Council has the right to appoint somebody to fill those positions until the next regular Village election. With a 4-year vacant seat, the appointment goes until the next election and then that next election would be an election to fill the remainder of that term (2-years). On the 2-year vacant seat, the Council would appoint someone to fill that seat and at the next regular election, that position would be up for a 4-year term. Shoudy recommended moving this up front because under the General Village Act every decision has to be made by at least 4 people voting yes. The Village is in a position right now the quicker you fill the Council seats the better. Many of you have seen my email based upon my legal advice the existing council policy would not bind a future council. It doesn't mean an existing council can say I like that policy. Each council member gets to make their own decision as to whether they want to follow that procedure or make their own vote. I have always said I will give my honest opinion from the beginning. This council has the right to make the choice of filling one position or both positions tonight. I recommended administration go through the normal posting procedure for the second position. The Council has the right to fill these positions before the posting date ends as well. Shoudy explained both vacant seats will technically be for 2 years until the next scheduled election. Shoudy answers Council questions.

Shoudy explained legally this Council only has the right to appoint someone to fill the vacant seats until the next scheduled election. This Council does not have the power to appoint someone to a full 4-year term. Kaatz explained both vacant seats are for 2-years until the next scheduled election.

Motion by Kaatz, seconded by DeCoster, to adhere to the existing policy that is in place and appoint the next highest vote getter which is Sheila Klaas.

Roll Call

Ayes – Kaatz, DeCoster, Muoio, Adams

Nays – None

Motion carried

The clerk swears in Sheila Klaas.

**C. 3. (L) – 2-YEAR COUNCIL SEAT VACANCY INTERVIEW & SELECTION –**

- 1. James Gresock** – Former council member. What 3 important areas should be focused on; the streets, water, police, fire & rescue. What makes you the best candidate; served on council for a number of years, past DDA President, served as past LBA President, as well as many boards in Lexington. How is your leadership style; I listen to the people. How can you be most effective; my years

of experience and involvement in the community. What is the most important role of council; representing the people and honesty. What will you bring to the table; communication.

- 2. Will Morris** – Lived in the Village for 5 ½ years, currently CEO of Sanilac County Community Mental Health, sat on the Planning Commission for over 5 years, I have a lot of experience operating and sitting on boards all over the county and invested in the Village. Will you have the time to commit to the council; with council meetings being at 7 p.m., I will be able to attend the council meetings and participated in many work sessions as well as participating on Planning Commission. Describe your approach to problem solving; I use more of a committee decision model and believe in being very transparent. What are the 3 most important areas in the Village; with being on the Planning Commission for 5 years there are communication issues, a lot of mis perceptions and mis trust, we need to do better especially with the turnover in the Village Manager role. When a decision needs to be made and you have a personal opinion and the popular opinion what do you lean toward; my personal opinion doesn't matter, I follow the rules & requirements. I apply the rules equally to everyone, no one is above the rules or don't work around the rules. How can you be most effective; my experience sitting on boards and being transparent. I believe in listening to the Village as a whole even if it means changing ordinances already in place.
- 3. Mike Fulton** – Why do you want to be a member of council; I have been here for 6 ½ years and there are still things I would like to get done and finish up. How come you didn't run for re-election; I did not want to commit to another 4-year term. Give an example of when you had to make a difficult decision as a council member; each time we have had to make a decision I look at both sides. Are there any areas you would like work on in the future; I want to pursue working on the RRC. What is the most issue facing the community; right now, consistency in the front office. We need to address why we have gone through so many managers. How well do you handle criticism; I can lose my temper, but shake your hand at the end of the day. I would like to make it clear I was not part of the issue 2 years ago after the election. Having lost that election, I expected it was over until I received a notification there was an opening. I do not solicit votes. What areas of interest would you want to work on; I would like to go back to Planning as I have done a lot of work with them.
- 4. Barb Schultz** – I filled out an application for council and enjoyed helping people and the Village. I do my research before each meeting. I would like to represent the mobile home park again as council. I had 20 years' experience with the courts. I am very transparent. What areas of interest would you like to work on; my main goal is to represent the mobile home park. When you were on council before your expertise was on financial oversight would you continue



that; yes, I would continue with that. How would you handle a controversial decision; I would go with the facts and the law. What do you feel are the most important areas of Village expenditures; the Police Department and Fire Department. What is your position with a public safety district; I am all for that, it is a necessity. I am for making the Village stronger.

Discussion

Written voting

Motion by Kaatz, seconded by Muoio, to appoint Will Morris to Council.

Roll Call

Ayes – Kaatz, Muoio, DeCoster, Klaas, Adams

Nays – None

Motion carried

The clerk swears in Will Morris.

**D. DDA PLAN & ORDINANCE AMENDMENTS** – Motion by Adams, seconded by Kaatz, to approve the DDA Plan and DDA Ordinance Amendments (Chapter 26, Article II Section 26-32) as presented.

Discussion

Roll Call

Ayes – Adams, Kaatz, Morris, Klaas, DeCoster

Nays – None

Abstain – Muoio

Motion carried

**E. PARKS & REC 5-YEAR PLAN (2023-2027) RESOLUTION #2022-09** – Motion by Muoio, seconded by DeCoster, to adopt Resolution #2022-09 contingent on the language regarding the Village's obligations per the existing MOU with the MDNR is included on Page 25 and that the development of a viewing platform at Boynton and Washington is added to the Strategic Action Plan on Page 54 as presented in the revised Draft for Adoption Consideration dated December 15, 2022.

Discussion

Roll Call

Ayes- Muoio, DeCoster, Klaas, Morris, Adams, Kaatz

Nays- None

Motion carried

**E. 2. SPARKS GRANT** – Motion by Muoio, seconded by Adams, to approve Resolution #2022-10. Kaatz reads the entire resolution.

Discussion on involving the Parks & Rec Board with these grant opportunities.

Roll Call

Ayes – Muoio, Adams, Morris, Klaas, DeCoster, Kaatz

Nays – None

Motion carried

**F. INVOICE – FLETCHER FEALKO SHOUDY & FRANCIS, P.C.** – Motion by Morris, seconded by Muoio, to approve the payment of \$2,385.00 to Fletcher Fealko Shoudy & Francis, P.C. (\$967.50 from the General Fund, \$270.00 from DDA, \$382.50 from Mobile Home Park, \$450.00 from Water, and \$315.00 from Sewer).

Discussion on attorney's invoice and finding a resolution to Mr. Sutton's invoice.

Roll Call

Ayes- Morris, Muoio, Adams, Klaas, DeCoster, Kaatz

Nays- None

Motion carried

**G. RESOLUTION #2022-011 PERFORMANCE RESOLUTION FOR GOVERNMENTAL AGENCIES (M-DOT ANNUAL PERMIT)** – Motion by Adams, seconded by DeCoster, to approve Resolution 2022-11 Performance Resolution for Governmental Agencies as presented.

Roll Call

Ayes – Adams, DeCoster, Klaas, Morris, Muoio, Kaatz

Nays – None

Motion carried

**H. RULES OF PROCEDURE POLICIES** – Motion by Adams, seconded by Muoio, to change the language in the Rules of Procedure under Duties of Elected Chief Executive Officer. Change the sentence that says "He or She shall from time to time give the Council information concerning the affairs of the corporation to council." To "He or She shall submit a report of information concerning the affairs of the corporation to council in a timely manner and place the reports in the "Report/Minutes/Monthly Schedule".

Discussion

Amended Motion by Adams, seconded by Muoio, to change the language in the Rules of Procedure under Duties of Elected Chief Executive Officer. Change the sentence that says "He or She shall from time to time give the Council information concerning the affairs of the corporation to council." To "He or She shall submit a monthly report of information concerning the affairs of the corporation to council in a timely manner and place the reports in the "Report/Minutes/Monthly Schedule".

Roll Call

Ayes – Adams, Muoio, Morris, Klaas, DeCoster, Kaatz

Nays – None

Motion carried

**I. BARNES LAW, PLLC LETTER - 7219 Huron Ave.** – Cutright reads the letter from Barnes Law, PLLC Letter. Cutright offered some funding options should Council consider this purchase. Discussion followed. Shoudy explained you have the right to go into closed session once you get to the point of negotiating a price for the property.



Motion by Kaatz, seconded by Muoio, to allow the manager to reach out to Barnes and express our interest, and we can schedule a special council meeting at a later date.

Roll Call

Ayes- Kaatz, Muoio, Adams, Morris, Klaas, DeCoster

Nays- None

Motion carried

**J. REQUEST FOR INSTALLATION OF NO PARKING SIGNS** – Sheldon explained he received a phone call from a resident regarding a parking complaint of trucks on Denissen St. I contacted the zoning administrator. As we went down to research this complaint, we counted (11) trucks parked & running. I received several complaints about this issue in the past. One of my officers responded late one evening as he witnessed (6) trucks running. He had them move to the Gielow's parking lot. A lot of these trucks come from out of state and wait in line until 8:00 a.m. I have contacted Craig Gielow regarding this issue. My suggestion is to have no parking, no standing, or idling signs on east bound traffic from the start of Gielow's property down to Union St. This would bring the trucks away from the residents on Williams Ct. and Union St. Discussion followed. Sheldon explained Craig Gielow is working on having these trucks staged at the Marathon Station in Lexington Heights.

Motion by Morris, seconded by DeCoster, to support Larry Sheldon's suggestions of putting up no parking signs at those locations Sheldon noted.

Discussion

Roll Call

Ayes- Morris, DeCoster, Klaas, Muoio, Adams, Kaatz

Nays- None

Motion carried

**K. PLANNING COMMISSION APPOINTMENT** – Motion by Muoio, seconded by DeCoster, to approve the appointment of Douglas Roehl to the Planning Commission.

Roll Call

Ayes – Muoio, DeCoster, Klaas, Morris, Adams, Kaatz

Nays – None

Motion carried

**N. COMMITTEE APPOINTMENTS** – Motion by Kaatz, seconded Adams, to appoint Peter Muoio to remain as President Pro Tem.

All Ayes

Motion carried

Motion by Kaatz, seconded by Muoio, to appoint Kathy DeCoster to the Environmental Committee.

All Ayes

Motion carried

Motion by Kaatz, seconded by Morris, to appoint Larry Adams and Sheila Klaas to the Mobile Home Park Advisory Board.

All Ayes

Motion carried

Motion by Kaatz, seconded by Muoio, to appoint Will Morris to the Planning Commission.

All Ayes

Motion carried

Motion by Kaatz, seconded by Muoio, to appoint Larry Adams to the DDA Board.

All Ayes

Motion carried

Motion by Kaatz, seconded by Adams, to appoint Will Morris and Peter Muoio to the Personnel Board.

All Ayes

Motion carried

Motion by Kaatz, seconded by Morris, to appoint Peter Muoio to the Parks & Rec Board.

All Ayes

Motion carried

**O. I.T. RIGHT SERVICES CONTRACT RENEWAL** – Cutright explained the 3-year contract with I.T. Right is up. It expired in October. This contract is for a 1-year term. The contract has increased from the 3-year contract which was \$8,500. There has been a 7% increase for the CPI. The 1-year term is \$9,095. We then can put an RFP out before the 1-year is expired. Discussion followed.

Motion by Kaatz, seconded by Morris, to renew the contract for I.T. Right with the understanding that we will put together a new RFP to see what is out there.

Roll Call

Ayes – Kaatz, Morris, Adams, Muoio, DeCoster, Klaas

Nays –

Motion carried

**P. COUNCIL MEETING SCHEDULE AND HOLIDAY SCHEDULE 2023** –

Motion by DeCoster, seconded by Adams, to approve the 2023 Council Meeting/Holiday Schedule.

All Ayes

Motion carried

### **Q. EMPLOYEE HOLIDAY BONUS –**

Motion by Kaatz, seconded by Muoio, to double the holiday bonuses including Cynthia, Ed, and Denny as they were left off the list.

Discussion: on what the total amount is including the 3 added positions. Morris suggested the 3 added positions receive \$100 each plus double the bonus to \$200 for each position.

Amended Motion by Kaatz, seconded by Muoio, to double the holiday bonuses adding 3 positions (Cynthia, Ed, and Denny) to include the dollar amount of \$200.00 for each added position.

Discussion: Morris explained with adding the 3 positions the total is \$5,300.00.

Roll Call:

Ayes – Kaatz, Muoio, Adams, Morris, DeCoster

Nays – None

Abstain – Klaas

Motion carried

### **MOBILE HOME PARK**

**R. MHP LOT DEPOSIT REFUNDS** – Motion by DeCoster, seconded by Adams, to approve the deposit refund in the amount of \$526.00 to Thomas & Rita Bryant (Lot #23).

Roll Call

Ayes- DeCoster, Adams, Muoio, Morris, Klaas, Kaatz

Nays – None

Motion carried

Motion by Morris, seconded by DeCoster, to approve the deposit refund in the amount of \$361.00 to Don & Cindy Reusche (Lot #202).

Roll Call

Ayes- Morris, DeCoster, Klaas, Muoio, Adams, Kaatz

Nays – None

Motion carried

### **WATER/SEWER/DPW/STREETS**

**S. WATER TREATMENT PLANT TURBIDIMETER** – Bender explained the current turbidimeter is pushing 20 years old. The company no longer supports it or services it. We are having problems with it at this time. I have included a letter in the packet explaining what a new unit would cost. Discussion followed.

Motion by Morris, seconded by DeCoster, to approve the purchase of a turbidimeter from the appropriate vendor (USA Bluebook) for a cost of \$6,730.00.

Roll Call

Ayes – Morris, DeCoster, Klaas, Muoio, Adams, Kaatz

Nays – None

Motion carried

**FINANCIAL REPORTS** – Motion by DeCoster, seconded by Adams, to approve the check register in the amount of \$196,563.27 check numbers 37485 through 37572 and financial reports as presented.

Roll Call

Ayes- DeCoster, Adams, Muoio, Morris, Klaas, Kaatz

Nays- None

Motion carried

**REPORTS** – Cutright explained when we were looking at the EV charging stations, the fire chief reached out regarding possible changing the fee schedule. He explained the cost is more dealing with an electronic vehicle battery as it is a much different hazard. We are currently looking at what other communities are doing.

**CORRESPONDENCE-**

- Sanilac District Library Letter

**PUBLIC COMMENT**

- Mike Fulton – Commented thanked the Council and welcomed Will Morris & Sheila Klaas.
- Mickey Bender – Commented thanked the Council for the Christmas bonus.
- Ed Jarosz – Commented thanked the Council for making tough decisions.

**COUNCIL PERSON COMMENTS**

- Kaatz thanked Cutright for the weekly updates along with the monthly reports.
- DeCoster welcomed the two new council members.

**ADJOURNMENT**

Motion by DeCoster, seconded by Morris, to adjourn the meeting at 11:18 p.m.

All ayes

Motion carried

Respectfully Submitted  
Vicki Scott, Village Clerk