



MINUTES

SPECIAL MEETING OF THE VILLAGE COUNCIL - CIP FUNDING

Monday, October 27, 2025

5:30 PM

Village Hall – 21 East Church Street, Lake Orion, MI 48362

(248) 693-8391 ext. 102

1. Call to Order

The October 27, 2025 Village Council Special Meeting was called to order at 5:30 PM by President Rutt.

2. Roll Call and Determination of Quorum

PRESENT

President Teresa Rutt

President Pro Tem Stan Ford

Council Member Michael Lamb – arrived at 5:31 PM

Council Member George Dandalides

Council Member Alex Comparoni Jr

Council Member Eric Papacek

ABSENT

Council Member Nancy Moshier

STAFF PRESENT

Village Manager Darwin McClary

Police Chief Mark Amundson

DPW Director Wes Sanchez

Deputy Clerk/Treasurer Lynsey Blough

MOTION made by President Rutt, Seconded by President Pro Tem Ford, to excuse Council Member Moshier from the October 27, 2025 Village Council Special Meeting.

VOTING YEA: Rutt, Ford, Lamb, Dandalides, Comparoni Jr, Papacek

VOTING NAY: None

ABSENT: Moshier

MOTION: Carried

PURPOSE OF SPECIAL MEETING: Discuss Capital Improvement Funding (CIP)

3. Call to the Public

None.

4. Other Items

A. Discussion on CIP Funding

Council Member Papacek expressed concern about the overall CIP cost and the financial burden on residents from special assessments. He encouraged exploring grants or other funding sources to minimize taxpayer impact.

Village Manager McClary reviewed current funding options, noting that Act 51 funds cover only limited maintenance and that grant funding for local roads is minimal, except for federally aided roads such as Flint and Atwater Streets. He stated that special assessments are the fairest funding method since costs are shared based on property frontage rather than property value.

President Rutt and Village Manager McClary summarized the Village's cost-sharing policy:

- Major streets – Village 50% / Property owners 50%
- Local streets – Village 25% / Property owners 75%
- Dead-end streets – Village 10% / Property owners 90%

Council Member Papacek asked about potential bond debt concerns. Village Manager McClary replied that each project's financial impact is reviewed before bonds are issued, with essential projects (such as water and sewer) prioritized and others deferred as needed. Further review of 2026 CIP projects will occur in upcoming meetings.

Village Manager McClary reported the Village received a \$250,000 state grant for 2026 street work and outlined plans to fund additional projects through Act 51 revenues, special assessments, and possible bonding. He emphasized community input and flexibility in project design. Council Member Lamb raised questions about funding for other capital projects, and Village Manager McClary noted the general fund balance has grown, but multiple funding sources will be required to meet long-term infrastructure needs.

Council Member Lamb suggested small-scale bonding for capital projects but agreed with Village Manager McClary's preference for a pay-as-you-go approach to avoid interest costs. Village Manager McClary recommended setting up a general fund reserve policy to direct annual surpluses to capital improvements after the audit is complete.

Council Member Lamb presented a detailed revenue projection and DDA funding analysis, noting that DDA tax increment revenues are expected to double by 2039. He argued that current TIF restrictions prevent DDA funds from being used for sewer, water, or road work unless the TIF plan is amended. He also suggested another option such as reducing the DDA district by 50% or amending the TIF to redirect funds toward infrastructure relief to offset future utility rate increases.

Council Member Dandalides urged the Council to first clarify legal and policy questions and define which infrastructure priorities the Village seeks to address before proposing new funding solutions.

Village Manager McClary confirmed that district boundary changes must be initiated by the Council, while TIF amendments must be initiated by the DDA Board, and stressed the importance of collaboration between the Village and DDA to align funding priorities. He noted that DDA contributions to water system improvements within the district could reduce overall system borrowing, benefiting all residents.

5. Call to the Public

None.

6. Adjournment

MOTION made by Council Member Comparoni Jr, Seconded by President Pro Tem Ford, to adjourn the October 27, 2025 Village Council Special Meeting.

VOTING YEA: Rutt, Ford, Lamb, Dandalides, Comparoni Jr, Papacek

VOTING NAY: None

ABSENT: Moshier

MOTION: Carried

The October 27, 2025 Village Council Special Meeting adjourned at 6:26 PM.

Teresa Rutt
President

Lynsey Blough, CMC
Deputy Clerk/Treasurer

Sonja Stout
Clerk/Treasurer

Date Approved: as presented on November 10, 2025