

**CITY OF SOUTH LYON
REGULAR CITY COUNCIL MEETING
February 11, 2008**

Mayor Doyle called the meeting to order at 7:30 p.m.

Mayor Doyle led those present in the Pledge of Allegiance to the Flag

PRESENT: Mayor Doyle
Council Members: Kivell, Kopkowski, Maida, Morelli, Selden and Wedell
City Manager Cook
Attorney Lee
City Clerk/Treasurer Zemke
Department Heads: Collins, Renwick and Martin

APPROVAL OF MINUTES:

Councilman Wedell stated that the Ms. Hanson who spoke under Citizens Suggestions is actually from Highland, not Brighton

CM 2-1-08- APPROVAL OF MINUTES – JANUARY 28, 2008

Motion by Wedell, supported by Morelli

To approve the minutes of the regular meeting of January 28, 2007 as corrected

VOTE: MOTION CARRIED UNANIMOUSLY

APPROVAL OF MONTHLY BILLS:

Council Member Maida inquired about the payment to National City for the City Manager advertisement. City Clerk/Treasurer Zemke stated that is actually a payment on the City's credit card for placing that ad.

Council Member Maida questioned the payment to HRC for site plans and asked what site plans these would be. City Manager Cook stated that these are on-going plans for various projects being proposed.

Councilman Morelli inquired about the payment for the salt and asked if this is typical of what we go through in a year. Superintendent Renwick stated that actually we have gone through more this year than we have in the past three years.

CM 2-2-08- APPROVAL OF MONTHLY BILLS

Motion by Selden, supported by Maida

To approve the monthly bills as presented

VOTE: MOTION CARRIED UNANIMOUSLY

APPROVAL OF AGENDA

CM 2-3-08 – APPROVAL OF AGENDA

Motion by Maida, supported by Kopkowski

To approve the agenda as amended

VOTE: MOTION CARRIED UNANIMOUSLY

CITIZENS SUGGESTIONS:

Ms. Leann Tolinski of 22600 Sandra stated that she and a few other business owners would like to come to the next meeting and ask Council to loosen up the temporary sign guidelines. They would like to put in place less restrictive ways for businesses to let the public know what is new and what they have to offer and come up with a way of doing so without detracting from the attractiveness of downtown. She further asked if this is the appropriate way to put forth their request or should they start with the Planning Commission. Mayor Doyle stated that the first step would be Planning Commission. When ordinance changes such as these are looked at they go through Planning Commission with a recommendation to Council. Anyone is welcome to come to Council, but it would be better to start with them. Discussion was held on looking at examples from other communities.

Council Member Maida stated that she invited Patrick Mondro to talk with Council regarding the Business Assistance Team. Mr. Mondro of National City located at 200 W. Lake Street stated that they are going to be having a Business Assistance Team tour. This is not a National City sponsored tour, but something they started in Royal Oak in 2003. They go around to businesses once or twice per year and with an application to let the team of experts know how to help and come up with a game plan. The team of 4-5 people visit businesses for 60-70 minutes and it is completely free. The tour will be February 27th and so far they have 4 interested businesses. The deadline for the applications is February 18th. Councilman Kivell stated that his understanding of this is to give feedback to business owners so they can maximize the benefits of their store. Mr. Mondro stated that many cities have participated including Novi, Wixom, and Walled Lake. The question was asked what the response has been. Mr. Mondro stated that in Novi they received 31 applications. Some communities have only 4-5, but he would expect to have approximately 12 in South Lyon. He further stated that they will publish a follow-up on what they did and how they helped.

OLD BUSINESS:

1. Michigan Municipal League- Service for City Manager Search

Mayor Doyle stated that we are in the very early stages of finding a suitable replacement for our City Manager, and Council asked that we have representation from the MML to explain some of the services available.

Mr. Bill Richards of the Michigan Municipal League gave a brief introduction of himself and his credentials for undertaking this assignment. He is the Assistant City Manager and Personnel Director for the City of Farmington and has approximately 25 years of municipal management experience. In addition he is a member of the faculty of the Department of Political Science at Eastern Michigan University. He further described his background. He stated that this would be his 39th assignment as an executive search facilitator with MML. He identified the process of the executive search using a qualification based election system. His role is to assist in selecting the best possible candidate to match the qualifications of the community and manage the liability involved with public personnel selection. He stated that he is coming into the process later than he usually does. He typically would be conducting job analysis and use that to develop the advertisement consulting with Council. He would be coming in to conduct the resume screening and applying the qualification based assessment. He would develop an executive summary of the applications received and would include a recommendation or a candidate "short list". He stated that he would like Council to determine the targeted number of candidates they would like to interview, typically it is approximately 5. He would also conduct the reference checking. However, when talking about reference checking, we are relying on names provided by the candidate and has limited value. On the other hand background investigations are a great utility, but should be limited to only the perspective employee. This is not a service provided by MML. He would highly recommend that one be done and he does have sources he could recommend. Once Council has approved candidates for interview, he would then contact and schedule those interviews. Prior to those interviews, he would provide three documents to Council. One is an adaptation of a document that the League has used for review for employment interviewing guidelines, which is a useful document in preparing for those interviews. The second document is a draft of questions that are behaviorally anchored based on the published advertisement and

relevant in bonifed occupational qualifications. The third document is an assessment form that allows you to score the candidates during the interview against categories of information. Its intention is to be an aid to enable you to capture information about the candidates' responses and behaviors during the interview. Although it is not a League service, most of the clients he works with direct him to ask the questions. It enables Council to take advantage of his expertise in developing probing questions. It also enables Council to observe and evaluate the candidate, which is easier if someone else is asking the question. He has also seen Councils ask the questions. It is the decision of Council. At the end of the interviews there is a facilitated discussion. He would recommend that when Council is prepared to make a decision, that they make a conditional offer of employment so that a background check can be conducted. If the results are not to your satisfaction, you can retract that offer. At the same time as the background check, you can also begin negotiating the terms and conditions of employment, and again if it is unacceptable, you can retract the offer. At the end of the process you may conduct a physical examination and any related tests. When all of the conditions are satisfied, he would close out the case by sending notification to all of the applicants.

Councilman Wedell asked Mr. Richards if the advertisement and job description are adequate in his opinion. Mr. Richards stated that he has not seen the job description. He stated that he is confident that it is adequate and ADA compliant. Often he will find the job descriptions lacking in that area. He further discussed drafting a job analysis and description. The advertisement is one that he can work with, but he is always concerned about well-defined and specific criteria that can be applied via a matrix. He feels that it can accomplish what Council is intending to do. It can be applied consistently and will produce candidates.

Councilman Wedell asked in doing the reference checks, is it only those individuals identified by the candidate or do you also check with council members, etc. Mr. Richards stated that they only contact those identified.

Councilman Wedell asked Mr. Richards if he conducts any interviews to dwindle down the number of candidates to meet the number of interviews desired by Council. Mr. Richards stated that he typically does not. There is some liability in having an intermediary make a decision that would presumably eliminate a candidate. There are other individuals that would have a different view. He simply applies the criteria of the advertisement and job description and that will give you candidates and Council can make the determination. He discussed how the matrix is made.

Councilman Wedell asked the typical length of these types of interviews. He further asked about the confidentiality that may be requested by candidates. Mr. Richards stated that the law says that if they request confidentiality, they are entitled to it up to the time that you extended them an interview opportunity and they have accepted it.

Councilman Wedell asked Mr. Richards if we determine to contract with Michigan Municipal League, is it already determined that he will be our contractor and asked if the contract would be with him or the League. Mr. Richards stated that it already has been determined, but the contract would be with the League. Councilman Wedell further asked if the costs are negotiated with the League. Mr. Richards stated that they are all part of the proposal prepared for the City. He further reviewed the costs indicating that the first three items listed would not be applicable at this point and the preliminary reference review would be optional.

Councilman Selden asked if education claims are checked. Mr. Richards stated that he does not, but that can be included in the comprehensive background investigation. However, with his contact with them to set up the interview, he does tell them that any educational document, diplomas, degrees, professional certifications, etc. should be brought with them to that interview. An unofficial transcript or copy of their degree is acceptable to come to the interview. He stated that he would recommend doing that be done during that investigation. He uses Pinkerton for the background checks. They are professional and they know what they are doing. They do offer a menu of services versus a package.

Council Member Maida asked Chief Collins if the background check is something that we can do. Chief Collins stated that the Police Department does have experience in conducting investigations similar to what Mr. Richards is speaking of and in some cases go beyond. The risk of having the Police Department do the background investigation, there could be issues having the department do an investigation of their potential boss. Mr. Richards stated that the one area that the Police Department may not have the same level of expertise is in the area of financial background of the individuals. He further discussed the Fair Credit Reporting Act. He stated that he feels that it is well worth the \$400-\$450 it will cost for the investigation.

Discussion was held on the interview process. Mr. Richards stated that he will draft the questions in advance and Council can add, delete or change them. The other issue would be who will be asking the questions. He does have Councils that want to ask them and others who do not.

Council Member Maida stated that she does like the idea of a meet and greet and asked what that would entail. Mr. Richards stated that is not part of the League service. However, once you have an individual that you are considering, that could be something that could be done. It is rather infrequent to do that, but it is appropriate.

Councilman Kivell asked Mr. Richards of the 37-38 communities that he has done this for, how many of those people are still holding their roles. Mr. Richards stated that he can think of only three instances where the process did not produce an appointee. In two instances it was because the Council tried to "low-ball" the offer. They advertised the salary, yet offered less. There was one where it just did not work. He discussed the need for qualifications as well as "fit" with the community.

Councilman Kivell asked Mr. Richards that in light of the number of communities in the process of finding a City Manager, how many people he would expect to apply. Mr. Richards stated that if this were 2 years ago, he would expect 30+ applicants. However, it is becoming more challenging as far as recruitment, not because there are several other communities seeking managers. What he feels is the issue is the economy and housing market. He further discussed the effect of the economy on the recruitment. Discussion was held on South Lyon being a viable community.

Councilman Kivell asked Mr. Richards the likelihood of finding a candidate interested in an at-will position. Mr. Richards stated that virtually all public managers understand that their employment is at-will. Further discussion was held on at-will positions. Mr. Richards stated that virtually all managers have employment agreements, but usually they do have a duration. Three years is common and some have a rolling feature. However, they do have an expression of at-will. He further stated that part of the agreement with the League is the assistance with the terms and conditions of employment, and he will do that. However, there is a better person to do that and that is the City's attorney. He stated that the City could be criticized because Bill Richards would be negotiating with a member of his profession. Further, the League's contract calls for a percentage of that salary. Discussion was held on how Mr. Richards is paid by the League for his services.

Discussion was held on the need to set a date for interviews. The question was asked how much lead-time is needed in order to conduct the interviews. Mr. Richards stated that after February 22nd we will look to see if there appears to be the right number of A-band quality applicants. After that it would take 3-4 days to conduct the analysis. He explained his process of analysis. Mr. Richards stated that after that process, the confidential analysis is sent back to the City, and at that point it is up to Council to determine if they will just interview the A-band or A and B, etc.

Discussion was held on out-of-state applicants. Mr. Richards stated that some of the most qualified applicants in recent applicant-pools have been out-of-state. He discussed reimbursement of travel expenses for interviewees. In the past, reimbursement has not been necessary. However, in more recent times, some of the most qualified applicants have been lost because of that. He stated that is a decision Council will have to make, and there are several ways to handle that. You may want to consider a two-week notice in order to get discount fares.

Councilman Wedell asked Mr. Richards, considering the fact that the City Manager community is well-known to each other, do you ever solicit people that he knows that might fit with the community. Mr. Richards stated that he has done that on occasion with the permission of the client community. However, he does not feel very comfortable in doing that because it lends itself to potential criticism because he is involved with the selection process.

Mayor Doyle asked Mr. Richards what he feels is a reasonable expectation from start to finish. Mr. Richards stated that if we were starting at the beginning of the process, we would be looking at approximately 12 weeks. In this case, assuming we are going to use an applicant pool concluding on February 22nd, he would assume we could hold interviews as early as March 15th. He stated that his feeling is that Saturday is the best day to do that both for the candidates and Council Members given the number of interviews that will be conducted.

Discussion was held on the break-down in expenses. Mr. Richards stated that Council can simply indicate which of the elements they wish. Discussion was held on out-of-pocket expenses. Mr. Richards stated that typically that would include mileage, etc.

CM 2-4-08 – MICHIGAN MUNICIPAL LEAGUE – EXECUTIVE SEARCH PROCESS

Motion by Selden, supported by Morelli

To engage Michigan Municipal League for the Executive Search Process

VOTE:

MOTION CARRIED UNANIMOUSLY

Councilman Kivell asked Mr. Richards if we interview on March 15th, what is the typical turn-around from that point. Mr. Richards stated that after the facilitated selection discussion and a candidate is identified for a conditional offer of employment, the background investigation can begin. It usually takes 7-10 days for the investigation and the negotiations can be done simultaneously. When those two features are completed, the only thing that remains is a pre-employment physical. You should be looking at 2-3 weeks. Mr. Richards stated that he will reserve March 15th for South Lyon. Discussion was held on the targeted number of candidates for interview. Consensus of Council was that five applicants would be an acceptable number.

2. Goals & Objectives- City Manager

Councilman Kivell stated that he feels that this is something that we should officially adopt even if it is unmeasured. There seems to be some feeling that the principal criterion is the placement of a manager. This is generic enough that it works to suit our needs and would be a good gauge to see what initiative the new manager takes on their own to formulate some of this as activity in their office while they are learning the ropes. Council Member Maida stated that it is better to have the information up front.

Councilman Wedell stated that it has been mentioned that there is a dialogue that should take place on these goals. What we have here is fine, and then we can add measures and expectations at a later time when we know who we are talking to. He would suggest that we leave these on the new City Manager's desk to say that these are things that Council is very concerned with.

Councilman Selden stated that he feels that these should be adopted as the tentative goals and objectives. However, the most effective goals are developed between the employer and employee.

Council Member Maida stated that this is a good outline to be used during the interview process so that they can see what Council thinks is important.

Councilman Morelli stated that he is fine if these are adopted. However, once we do have someone hired,

we can talk about the expectations and come up with some measurement. Further, many of these items indicate "develop a plan", but once that plan is adopted, it needs to be carried out.

Discussion was held on whether or not to adopt the goals and objectives at this point or re-visit it at a later date. Councilman Selden stated that it could be adopted as a tentative document. Council Member Maida concurred. Councilman Kivell stated that if we adopt this, it gives us some kind of credence that this is something tangible that we are looking for. If you do not give it validity by officially adopting it, it's importance as something that you have to strive for and plan to accomplish is lessened.

Attorney Hill stated that it appears that there is some confusion about what is actually being adopted and what does it do. Is it a framework or are you formulating a policy or are they directives to the City Manager and what his future duties will be? Further discussion was held on these being the goals for the City Manager regardless of who that person will be.

Council Member Kopkowski asked if it would be prudent to have the City Attorney clean this up to make it a more official adoptable document. Discussion was held on measurability. It was stated that some of these items could be written in. Mayor Doyle stated that would require specific direction from Council for that to happen.

Mayor Doyle stated that if we adopt at this point, it negates any input from the City Manager. Councilman Morelli stated that in his experience, he would go in with an outline similar to this and for each point there would be interaction between the employer and employee as to ability to accomplish, etc. It may change from year to year, but it needs to be a working dialogue between Council and whoever the manager is. Performance would be measured the following year on what was accomplished.

Council Member Maida asked if this could be adopted as an outline for the hiring of a City Manager. Attorney Hill stated that they could be adopted as a topic of discussion for hiring of a City Manager. Mayor Doyle stated that every one of these items is very important, but we still need input from that person. There is no point in taking the next step.

Discussion was held on using these goals for the hiring process. Councilman Morelli stated that looking for a City Manager and setting goals are completely separate things. It was stated that they can be used together. Councilman Morelli stated that anybody who would apply for a City Manager job would know how to do these things. Goals need to be measurable and used to determine how he is doing his job when you talk about it the next year. But, again it has to be a dialogue between the manager and Council using an outline that Council puts together. Further discussion was held on goals and the evaluation process.

The consensus of Council was to not adopt the goals and objectives at this time.

3. Request from City Manager- Purchase of Military Service

City Manager Cook stated that he is requesting that the City apply the cost associated with the purchase of his military time to Blue Cross/Blue Shield for him and his wife. The funds stay here, and you pay for the coverage until the funds run out. At age 65 he would be eligible for medicare. He stated that he cannot give an itemized cost because of the rate increases, but the money will go quicker as the Blue Cross increases each year.

Mayor Doyle stated that the request to purchase military service is the same as John Haas recently requested.

City Manager Cook stated that he only served two years, one in preparation for Vietnam and one full year in Vietnam.

Councilman Kivell stated that there is difference between what we have here and what was requested originally. City Manager Cook stated that there has been a change in the rates. This reflects the current

coverage and rates.

Councilman Kivell stated that his understanding is that the last five years and the years of service are the two major components. City Manager Cook stated that is for MERS and he is not part of MERS. Councilman Kivell stated that he understood that we were emulating the MERS system. City Manager Cook stated that he is requesting the two years based on his current salary, he did not look at it based on the last five years. Councilman Kivell stated that when you serve in the military, it was before the career and it extended your career from 25 years to 27 years. To end up taking what you are earning now at the apex of your earning career for the formula, he is not comfortable. City Manager Cook stated that he has no way to do an actuarial analysis.

Councilman Selden one thing bothers him is that the City Manager is an executive position, and the water department employee was an hourly worker. He does not know of too many executives who get paid for their military service. He does not see a need to compensate him for that. City Manager Cook stated that every employee and executive that comes into the state will be a member of the MERS program, but he is not. The new City Manager will be a member of MERS, they have to be. Councilman Selden stated that previously he stated that we needed a policy, but each case needs to be looked at separately. His position is that as an executive, he has been paid more than an employee and as a consequence, he does not feel it is justified. Council Member Maida concurred.

Council Member Maida questioned the underwriting 50% deductible until eligible for medicare. She asked when he would be eligible. City Manager Cook stated that when he is 65. Council Member Maida asked how old he is now. City Manager Cook stated that he will be 63 in April.

Councilman Morelli stated that he voted no for Mr. Haas. He does not understand why this would be done for anybody. He asked if the request is that the City pick up the increase every year. City Manager Cook stated that it would come out of the \$36,000 and once it is used up, it is over.

Councilman Kivell stated that if the request to purchase military time is not approved, then it remains at the agreement already made.

Mayor Doyle stated that he does not have a problem with this. The City Manager actually fits into the program better than Mr. Haas. Mr. Haas volunteered and may never have been drafted. The City Manager was drafted. We did the same thing with Mr. Haas and other previous employees.

CM 2-5-08 – APPROVE REQUEST FOR PURCHASE OF MILITARY TIME

Motion by Kivell

To approve the request to purchase of two years military service for City Manager Rod Cook

Motion dies due to lack of support,

4. Second Reading
- a. Chapter 102- Section 102-131- Materials Board

It was stated that there have been no changes since the first reading

CM 2-6-08 – SECOND READING – AMENDMENT – CHAPTER 102 – SECTION 102-131

Motion by Kivell, supported by Morelli

That this be the second reading and adoption to an amendment to the City Code, Chapter 102, Section 102-131 (see attached amendment as part of these minutes)

VOTE:

MOTION CARRIED UNANIMOUSLY

b. Chapter 70- Section 70-2 Definitions

Councilman Morelli asked that in the calculation of frontage in the case of an upper and lower story, they can use "their space", does the landlord have the ability to give more percentage to either the upper or lower floors. Planning Commission Chairperson Weipert stated that they were simply trying to calculate what the total signage would be, the allocation of that signage between businesses within the building would be up to the landlord and would be negotiated between those parties. Further discussion was held on allocation by the landlord either up or down or side to side.

CM 2-7-08 – SECOND READING – AMENDMENT – CHAPTER 70 – SECTION 70-2

Motion by Kivell, supported by Morelli

That this be the second reading and adoption to an amendment to the City Code, Chapter 70, Section 70-2 (see attached amendment as part of these minutes)

VOTE:

MOTION CARRIED (1 opposed)

5. Set Public Hearing- Bella Luna Liquor License

Attorney Hill stated that the public hearing will need to be either February 26th or 27th. The Liquor Control Commission needs the City's decision 60 days prior to the renewal of the license, which is April 30th.

The question was asked why the hearing would not be done on at a regular Council meeting. Attorney Hill stated that it is felt that it could be an extensive hearing. She stated that the license holder will be given opportunity to show why the license should not be revoked.

Discussion was held on scheduling the time for 7 p.m. versus 7:30p.m

CM 2-8-08 – SET PUBLIC HEARING – BELLA LUNA LIQUOR LICENSE

Motion by Selden, supported by Kopkowski

To schedule a public hearing for discussion of the Bella Luna Liquor License for February 26, 2008 at 7:00 p.m.

VOTE:

MOTION CARRIED UNANIMOUSLY

NEW BUSINESS:

1. MML Capital Conference- Lansing- April 1st & 2nd- Who will attend

Council Members Selden, Wedell, Maida, Morelli, Kivell and Mayor Doyle indicated that they would be attending.

COUNCIL COMMENTS:

Council Member Kopkowski asked what is happening with Buggy's. City Manager Cook stated that they have been closed and we are trying to find out what is going on. Councilman Selden stated that the sign on the door indicates that they will be closed until January 7th for repairs and they are still closed. City Manager Cook stated that it is his understanding that there are people interested in acquiring the management agreement.

Council Member Kopkowski stated that she had to parallel park in town three times today and all three

times she had a difficult time getting to the business because of the snow. She asked if there is a way to put in some brakes so that people can get through. Superintendent Renwick stated that the agreement is that we keep the parking spaces clear and business owners are to push the snow into the street so that we can do that. Council Member Kopkowski stated that it simply needs to be done, and at this point it looks like it will require larger equipment than what a business owner may have. It was stated that we have had some unusual weather.

Mayor Doyle stated that he would like to thank Joe Veltri for the report on the blight issues. City Manager Cook stated that this is actually a joint effort with both Joe Veltri and Mike Jakubowski.

Council Member Maida stated that she recently went to a foreclosure seminar. Last year, Oakland County came in and put on a similar seminar here at City Hall. With everything that is going on with our economy, she would like to see a monthly seminar to help individuals to understand foreclosure and what they can do to avoid it. It would help our community become educated so that we do not have these homes vacant. Mayor Doyle stated that we can speak to Commissioner Potter to see if there are similar seminars in the area. City Clerk/Treasurer stated that we also have the video tape from last year's and we can see if we can get that run on the cable station.

Council Member Maida stated that she spoke with a gentleman from Lighthouse who indicated that they could also come in to do a seminar. She further asked if there is interest on Council for him to come in and speak. Councilman Selden stated that a copy of our video tape could be given to the library and run on Channel 19, which seems to be sufficient. City Clerk/Treasurer Zemke stated that we also have some additional links on the City's website for additional information about foreclosure.

Council Member Maida asked if Council will be reviewing the issues relating to the new bike trail. City Manager Cook stated that there are no more issues, they have been cleared up.

Councilman Morelli asked about the status of Mr. Bodnar's building. City Manager Cook stated that there has been no contact at this time.

CM 2-9-08 – ADJOURNMENT

Motion by Morelli, supported by Wedell

To adjourn the meeting at 9:45 p.m.

VOTE:

MOTION CARRIED UNANIMOUSLY

Respectfully Submitted,

—

John Doyle, Jr.
Mayor

Julie C. Zemke
City Clerk/Treasurer