

CITY OF SOUTH LYON
REGULAR CITY COUNCIL MEETING
FEBRUARY 10, 2014

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

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

PRESENT: Mayor Pro Tem Rzyzi, Council Members Dixson, Kivell, Kramer
Kopkowski and Wedell

ALSO PRESENT: Department Heads: Collins, Deaton, Kennedy and Martin
City Attorney Wilhelm

ABSENT: Mayor Wallace and City Manager Cook

Mayor Pro Tem Rzyzi led those present in the Pledge of Allegiance

CM 2-1-14 MOTION TO EXCUSE ABSENCE

Motion by Dixson, supported by Kopkowski
Motion to excuse the absence of Mayor Wallace

VOTE: MOTION CARRIED UNANIMOUSLY

MINUTES

CM 2-2-14 MOTION TO APPROVE MINUTES

Motion by Wedell, supported by Kramer
Motion to approve minutes of January 27, 2014 Council meeting as presented

VOTE: MOTION CARRIED UNANIMOUSLY

BILLSCM 2-3-14 MOTION TO APPROVE BILLS

Motion by Kramer, supported by Kivell

Motion to approve the bills as presented

VOTE: MOTION CARRIED UNANIMOUSLY

AGENDA

Chief Collins stated he would like to amend the agenda by removing the words for Parks and Recreation from item #4. The title should be Authorize Distribution of Master Plan.

CM 2-4-14 MOTION TO APPROVE AGENDA

Motion by Kramer, supported by Dixon

Motion to approve the agenda as amended

VOTE: MOTION CARRIED UNANIMOUSLY

PUBLIC COMMENT

Michelle Eaton of 2100 N Telegraph, Pontiac Oakland County Development Community Affairs. She stated she is in support of the Industrial Facilities Tax Exemption Certificate for Michigan Seamless Tube. They are one of our largest employers and they continue to grow. She further stated she would like thank South Lyon for utilizing the tools given to them for Economic Development.

OLD BUSINESS

1. Public Hearing for Industrial Facilities Tax Exemption Certificate as requested by Michigan Seamless Tube

Mayor Pro Tem Rzyzi opened the public hearing at 7:35 p.m.

Tony Sokol of Valutech stated he is here to represent Michigan Seamless Tube. He further stated MST will be spending 6.8 million on a new building, 18.4 million on new machinery and will gain 11 new jobs.

Mary Ritchie of Oakland County Equalization stated she has supplied a tax analysis on the real and personal property value and the impact on our community if granted. It will be the second IFT in the community. She stated they will be getting relief of half of the tax obligation for the 13 year term. Councilman Wedell asked if the schools are held harmless. Ms. Ritchie stated they have a per pupil allowance that will hold them harmless. Councilman Kramer stated the IFT was issued in 2011 was for 12 years, why are they asking for an additional year, and is that common. Ms. Ritchie stated they are asking for one year beyond completion and it is about the same number of IFT's that are requested for just the 12 years. She further stated it is the decision of the City for what period they grant this request. Mr. Sokol stated the project isn't always completed the first year. Mr. Kramer stated in 2011 MST stated there will be an additional 20 jobs. Did that happen? Mr. Whitver stated they did hire 6 and they are now hiring 11 more, but they are not at full capacity yet, when they are, there will be a total of 22 - 24 jobs. Councilman Kramer asked who checks on the progress of the projects. Ms. Ritchie stated they look at the construction period of the certificate and will end with the date that has been defined, if anything is done after that date, it is moved to the ad voloram roll and taxed accordingly. Discussion was held regarding the last IFT that was issued. City Attorney Wilhelm stated the abatement agreement that is attached in the packet states there is a review and revocation process if the City feels the jobs and the investment were not made. Ms. Ritchie from Oakland County Equalization stated from the assessing vantage, the assessor and auditor will review what they file is in fact what is related with the application. They do their due diligence. Attorney Wilhelm stated the legislature is phasing out the personal property tax, what would happen to this. Mr. Ritchie stated they are subject to taxation for the life of the certificate. She further stated the personal property filings are state required and if a business does not file, the OEC auditor will make an assessment.

Mayor Pro Tem Rzyzi closed the public hearing at 7:50 p.m.

A. Approval of Tax Exemption Resolution

CM 2-4-14 MOTION TO APPROVE INDUSTRIAL TAX FACILITY TAX EXEMPTION

Motion by Wedell, supported by Kopkowski

Motion to approve resolution 02-14

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WHEREAS, pursuant to P.A. 198 of 1974, M.C.L. 207.551 et seq., after a duly noticed public hearing held on June 13, 2011, the City of South Lyon City Council by resolution established an Industrial Development District; and

WHEREAS, Michigan Seamless Tube, LLC has filed an application for an Industrial Facilities Tax Exemption Certificate with respect to an expansion of their facility to be installed within the Industrial Development District; and

WHEREAS, before acting on said application, the City of South Lyon held a hearing on February 10, 2014, at the City and School Administration Building located at 335 S. Warren, South Lyon, Michigan at 7:30 p.m., at which hearing the applicant, the Assessor and a representative of the affected units were given written notice and were afforded an opportunity to be heard on said application; and

WHEREAS, construction of the facility and installation of new machinery and equipment had not begun earlier than six (6) months before February 10, 2014, the date of acceptance of the application for the Industrial Facilities Exemption Certificate; and

WHEREAS, completion of the facility is calculated to and will at the time of issuance of the certificate have the reasonable likelihood to retain, create or prevent the loss of employment in the City of South Lyon; and

WHEREAS, the aggregate SEV of real and personal property exempt from ad valorem taxes within the City of South Lyon, after granting this certificate will not exceed 5% of an amount equal to the sum of the SEV of the unit, plus the SEV of personal and real property thus exempted.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of South Lyon, that:

The City Council finds and determines that the granting of the Industrial Facilities Tax Exemption Certificate considered together with the aggregate amount of certificates previously granted and currently in force under Act No. 198 of the Public Acts of 1974 and Act No. 255 of the Public Acts of 1978, shall not have the effect of substantially impeding the operation of the City of South Lyon or impairing the financial soundness of a taxing unit which levies ad valorem property taxes in the City of South Lyon.

The application from Michigan Seamless Tube, LLC for an Industrial Facilities Tax Exemption Certificate with respect to a Plant Improvement on the following described parcel of real property situated within the Industrial Development District:

T1N, R7E, SEC 19 & 30
PART OF NE ¼ OF SEC 30 &
PART OF SE ¼ OF SEC 19

BEG AT N ¼ COR OF SEC 30,
 TH N 01-13-00 E 62.41 FT,
 TH S 81-47-25 E 276.04 FT,
 TH S 00-34-45 E 332.54 FT,
 TH N 89-25-30 E 43.50 FT,
 TH S 01-10-45 E 424.41 FT,
 TH ELY 352.42 FT,
 TH N 198 FT
 TH E ALG S LINE OF 'KINGSLEY CALKINS ADD' 642.73 FT,
 TH S ALG W LINE OF EST ST
 910.25 FT,
 TH WLY ALG NLY LINE OF GTRR
 R/W 1261.25 FT TO
 N & S ¼ LINE,
 TH NO 01-28-00 W 1550.52 FT
 TH BEG 31.27 A

Be and the same is hereby approved.

The Industrial Facilities Tax Exemption Certificate when issued shall be and remain in force for a period of 12 years after completion.

VOTE: MOTION CARRIED UNANIMOUSLY

2. Second Reading of Sign Ordinance

Mr. Carmine Aventini of LSL Planning stated this is a comprehensive sign ordinance and there were some minor changes made since the First Reading. The biggest change was the change in the size area for projecting signs, and it was changed to 10 square feet per side. He further stated this was approved by the Planning Commission

CM 2-5-14 MOTION TO APPROVE SECOND READING

Motion to approve by Kivell, supported by Kramer

Motion to approve the second reading of the Sign Ordinance 01-14

VOTE: MOTION CARRIED UNANIMOUSLY

3. David Murphy/MERS Agreement

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City Attorney Wilhelm stated this agreement is self-explanatory and required by MERS. The agreement memorializes the understanding between the City and David Murphy and the 6 months' pay that he received pursuant to his contract.

CM 2-6-14 MOTION TO APPROVE MURPHY/MERS AGREEMENT

Motion by Kivell, supported by Dixon

Motion to approve the letter of agreement with David Murphy and the City of South Lyon

VOTE: MOTION CARRIED UNANIMOUSLY

4. Authorize Distribution of Master Plan

Mr. Aventini stated this master plan was recommended for distribution by the planning Commission. He further stated this process is by State law. He further stated the Planning Commission prepares the draft, then they recommend Council to distribute it. The Master Plan is then distributed to multiple departments including the Road Commission and the State. He further stated the outside departments may make suggestions or comments. The Planning Commission will then reviews the plan and suggestions, and make any changes they feel necessary. After that, there will be a formal presentation for Council and the Public; therefore Council will have opportunity to suggest any changes they would like. Councilman Kivell asked if we should anticipate much feedback. Mr. Aventini no, probably not. The most significant changes are the downtown area. He further stated we may get feedback regarding roads from MDOT or the Road Commission, if so; we could always meet with them. Councilman Kivell stated he is hoping we will not be forced to lose our on street parking. He further stated there wasn't a lot of mention about downtown crosswalks, and he would have like to see that in there. Mr. Aventini stated he will check on that, but to keep in mind they are in the distribution phase and there is ample time to make any changes necessary.

CM 2-7-14 MOTION TO APPROVE DISTRIBUTION

Motion by Kramer, supported by Wedell

Motion to distribute Master Plan

VOTE: MOTION CARRIED UNANIMOUSLY

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5. Discussion of Cable Commission

City Attorney Wilhelm stated based on previous meetings; he is providing Council with the different options available for a Cable Commission. Our ordinance states our Cable Commission will be a three member Commission. If you are looking to do something other than that, you can form an ad hoc committee to investigate what Council wants the channel to look like, what you want to accomplish for the Community, and for recommendations for Council to proceed. Councilman Kramer stated if we form this Commission, will it oversee the programming that will be viewed on the channel, other than what the City is putting on there. Dan Pelchat of 364 Stanford stated he is happy this is on the agenda. He is happy the Channel is back on the air. He stated the last 20 years it has shown when you can't park on the street, when there is no school, and local sports. He further stated he didn't have a problem with Mayor Wallace losing the station, but it does seem right now Council is trying to crawl out of quick sand. We do have the equipment and the boards back, but we don't have the volunteers. We have two volunteers so far, which he is one of them. He stated we do need to decide what we want to show on this channel, but keep in mind we have had sports on the air for the last 20 years, there have been plenty of volunteers. The delay is starting to upset him and other members of the Community. Councilman Kramer stated we had no control over the station, now what we are trying to do is to control the channel and to oversee what is viewed on the channel. Mr. Pelchat stated he dropped off a dvd of a local basketball game last week, and it has yet to be played on the channel. He did that as a test run to see what Council would do. He stated he would like to get with the other person who wants to be on the Commission and they can bring ideas to Council. He asked how long will we wait for another volunteer, and how long until we play the basketball game he dropped off. Councilman Kivell stated he viewed the dvd and Mr. Pelchat did a great job on it, but there was advertising on the dvd, and he doesn't think that is appropriate for the City's Channel. Mr. Pelchat stated he understands if the City does not want any advertising, he will squash the advertising if needed, and people can come out and volunteer their time. Councilmember Kopkowski stated it isn't for Council to decide, it is for the Commission to decide. Councilman Kivell stated until the Commission is in place, Council is responsible for what is shown on the channel. Mr. Pelchat stated it takes a lot of time to go to the game and record it, then take it home and edit it. Councilman Kramer stated there should have been discussions regarding the cable channel and the contract years ago, and we realize we need to get this commission going, and set some ground rules, and hopefully this will be taken care of. Mr. Pelchat stated he will get the third person and he will be at the next Council Meeting.

Maggie Kurtzweil stated she is a business owner in the McHattie Business Center. She stated she is a business attorney and she looks at things a little differently, she looks at how to solve the problem... She doesn't understand why Council does not form an ad hoc interim committee, and let Mr. Pelchat get it started and then dissolve it when we have three people to sit on the Committee and roll them into a Commission and this gentlemen could get this started tonight, and he could meet with other people and have suggestions at the next Council Meeting. This will get the process going, and it is analysis and process development. She stated they should start tonight with the ad hock committee.

Councilman Rzyzi stated he does agree with Mr. Pelchat and he believes we will not find anyone with more interest in this than him. He further stated that it is clear from our City Attorney we do need three people to sit on the Committee, but maybe an ad hoc committee will be a good start. Councilman Kramer stated he is confident that Mr. Pelchat can get a third member, and along with Rich Perry will have some good suggestions.

Gordon Segal of 240 Brookwood Drive. He stated Council is trying to fix something that was not even broken. He stated he does not understand the conflict of interest statement.

Councilman Kramer stated it is a City owned station; one person should not have had all the control.

NEW BUSINESS

1. Letter of Engagement with HRC for road inventory

Mayor Pro Tem Rzyzi stated we received this letter from HRC March 5, 2013 and we must review it. Councilmember Kopkowski stated this letter is almost a year old and asked if this has current information. Chief Collins stated in the last paragraph it refers to the 2014-2016 construction season, and City Manager Cook recommends Council authorize the letter of engagement.

CM 2-8-14 MOTION TO TABLE LETTER OF ENGAGEMENT

Motion by Kopkowksi, supported by Dixon

Motion to table Letter of Engagement for Road Inventory with HRC pending more information.

VOTE:

MOTION CARRIED UNANIMOUSLY

2. Police Department Purchase of New Weapons

Chief Collins stated this is a continuation of the step by step process, initially we sold some city owned Police weapons and the money went into General Fund, then we sold some forfeiture weapons to a federally licensed dealer for the amount of \$7,200. The next step in this process is to replace current glock pistols many of which are 19-20 years old with generation 4 lock 40 caliber weapons. We have gotten estimates, and the best quote was from Michigan Police Equipment. The memo is one weapon short of what is needed because there was a weapon they planned on being forfeited, but the case was dropped to a misdemeanor so there is a chance the person may be able to get their weapon back. The new cost would be \$7,771.00 Councilman Kramer asked what will happen with the weapons that are being replaced. Chief Collins stated the currently owned weapons will be sold to a federally licensed firearms dealer, which will then be sold to the public, and the City would have no liability to that sale.

CM 2-9-14 MOTION TO APPROVE PURCHASE OF NEW WEAPONS FOR POLICE

Motion by Kivell, supported by Wedell

Motion to approve the purchase of 17 Glock G22's and 2 Glock G27's from Michigan Police Equipment for \$7,771.00

VOTE: MOTION CARRIED UNANIMOUSLY

MANAGERS REPORT- None

Council Comments

Councilman Kramer stated there will be a Recreation Center meeting on February 17th at 7:00 p.m. at Green Oak Township. He further stated the Committee is still in talks with Salem Township.

Councilman Kivell stated he would like to acknowledge the letter received regarding Chris Sederlund and his help with a lady that had locked herself out of her condo and say great job. Councilman Kivell asked if citations are being issued for residents who are not cleaning the snow from their sidewalks. Chief Collins stated our Ordinance Inspector Phil spoke with City Manager Cook regarding this issue. Phil expressed difficulty with people shoveling the snow from the sidewalks, but then the wind drifting it back over the sidewalk, but some citations have been issued. Councilman Kivell stated he would like to encourage everyone to remove the

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snow from their sidewalks, and if residents leave town or are unable to do that, ask someone to take care of it for them.

Mayor Pro Tem Rzyzi stated he would like to thank Chris Sederlund for helping the lady when she was locked out, and would like to add he responded within 5-6 minutes. He further stated he would like to thank Chief Collins for stepping in to help while the City Manager is away.

ADJOURNMENT

Motion by Kopkowski, supported by Kivell
Motion to adjourn meeting at 8:43 p.m.

VOTE: MOTION CARRIED UNANIMOUSLY

Respectfully submitted,

Joe Rzyzi, Mayor Pro Tem

Lisa Deaton Clerk/Treasurer