

**CITY OF SOUTH LYON
REGULAR CITY COUNCIL MEETING
May 9, 2011**

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 Wallace
Council Members: Kivell, Kopkowski, Kramer, Morelli, Selden and Wedell
City Manager Murphy
City Clerk/Treasurer Zemke
Attorney Lee
Department Heads: Collins, Kennedy, Martin and Renwick

CM 5-1-11 – APPROVAL OF MINUTES –APRIL 25, 2011

Motion by Morelli, supported by Kivell

To approve the minutes of the Regular City Council meeting of April 25, 2011 as written

VOTE: MOTION CARRIED UNANIMOUSLY

APPROVAL OF MONTHLY BILLS:

Discussion was held on various bills.

CM 5-2-11 – APPROVAL OF MONTHLY BILLS

Motion by Morelli, supported by Wedell

To approve the monthly bills as presented

VOTE: MOTION CARRIED UNANIMOUSLY

APPROVAL OF AGENDA:

CM 5-3-11 – APPROVAL OF THE AGENDA

Motion by Wedell, supported by Kopkowski

To approve the agenda as presented

VOTE: MOTION CARRIED UNANIMOUSLY

PUBLIC COMMENT:

1. Townie Award

Mayor Wallace introduced the Wallace family who play a big part of the Townie Award named after Norma J. Wallace, former City Clerk who was involved in the community in many ways. This award is given to a person who is involved in the community, shows the love of community and works to solve problems and impact the

City. He stated that the 4th Annual Norma J. Wallace Townie Award is presented to Charles R. Selden for his continued service to local organizations, in recognition of love of the community and hard work.

Councilman Selden thanked Mayor Wallace and the Wallace family.

2. Proclamation to City from County Commissioner Weipert

County Commissioner Phil Weipert stated that he brought a Proclamation from the County in recognition of how great the City does and in recognition of the recent award given to the City and in particular the Water Department for the exemplary services. Superintendent Martin stated that this is a group effort and thanked Commissioner Weipert.

Deanna Coppoc of 603 E. Lake Street stated that she represents the television audience. She would like to watch these meetings, but it is almost impossible to hear some of the people. One of the major complaints is they cannot hear the City Manager. She is asking that all of the members of Council and others who speak to watch where their microphones are.

Attorney Lee stated that he would also like to encourage everyone to contact their representatives to urge them to support recent legislation designed to re-impose PEG fees on cable providers to give us another 2% to allow us to upgrade our equipment.

Mayor Wallace stated that he appreciates the comments. This is something that everyone needs to be conscious of.

OLD BUSINESS: None

NEW BUSINESS:

1. Public Hearing for the 2011-2012 Budget

Mayor Wallace opened the public hearing at 7:49 p.m.

Councilman Selden stated that the public should note that we have made some cuts, and we are approving a budget that maintains surplus.

Hearing no public comment, Mayor Wallace closed the public hearing at 7:50 p.m.

2. Adoption of the 2011-2012 Budget

CM 5-4-11 – APPROVAL OF MILLAGE RATES - 2011

The following resolution was offered by Morelli, and supported by Selden

Council Member Kopkowski stated that she is going to be voting no and would like the public to know why. She Stated that she is unhappy with the shifting of funds rather than spending time looking at individual budgets, specifically the Capital Improvement Fund. This is going to have a significant impact on the City roads and feels that it is going to be difficult for the City to recover from it in the future.

RESOLVED, that the City Clerk certify to the City Assessor for spreading on the Assessment Roll of the City of South Lyon for the year 2011-2012, the following amounts, based on taxable value \$311,296,730.

1. At the rate of 10.7375 mills per \$1,000 of valuation for General Fund Operation
2. At the rate of 2.5000 mills per \$1,000 of valuation for Wastewater General Obligation Bonds for wastewater treatment (2002)
3. At the rate of .1560 mills per \$1,000 of valuation for Capital Improvement Fund
4. At the rate of .3565 mills per \$1,000 of valuation for 1999 Building Authority (Land Acquisition)

RESOLVED FURTHER, that due to the May 2, 1984 election whereby the Library became a free standing and District Library for all purposes including the levy of 1.4564 and the overall levy for the City will be 15.2064 mills, of which 13.75 mills will be used for City operation and debt.

RESOLVED FURTHER, that after spreading on the Assessment Roll, the amounts as required to be raised by the general ad valorem tax, the Assessor certify and deliver the same to the City Treasurer, and the City Clerk be authorized to attach her warrant thereto, directing and requiring the City Treasurer to collect the same as provided by the City Charter.

RESOLVED FURTHER, that all installments reported to the City Treasurer as delinquent on Special Assessments and other charges, together with interest due thereon, as provided in Section 1.276 of the City Charter; unpaid charges for water consumption and water tap installation, as provided in Chapter 24 of the South Lyon City Code be assessed against the properties benefited and included in the 2011 Tax Roll.

RESOLVED FURTHER, that the millage for the entire fiscal year 2011-2012 budget not to exceed 13.75 mills.

VOTE:

MOTION CARRIED (1 opposed)

CM 5-5-11 – APPROVAL OF 2011-2012 BUDGET

The following resolution was offered by Wedell, and supported by Morelli

WHEREAS, in March 2011 the City Manager submitted to City Council a proposed budget for the fiscal year July 1, 2011 through June 30, 2012, and

WHEREAS, the City Council has received the proposed budget contained herein and has discussed and reviewed same

NOW, THEREFORE, BE IT RESOLVED, the City Council hereby adopts the 2011-12 fiscal budget as shown in the budget document on the Summary page, and detailed on the following pages, in the total amount of \$ 4,643,487.

BE IT FURTHER RESOLVED, that the City Council hereby adopts the following proposed budget or estimates for the following operations as set forth below.

	<u>Fund No.</u>
Major Street Operation	202
Local Street Operation	203
Community Development Block Grant	274
Combined Water/Sewer Operation	592
Equipment Replacement Fund	641
Capital Improvement Fund	401
Land Acquisition	509
Downtown Development Authority	280
<u>General Debt Service</u>	
2003 G.W. WW Treatment/Bond G.O.	307
1999 Building Authority—Land Acquisition	369
2005 Downtown Development Authority	369

BE IT FURTHER RESOLVED that the City Manager is authorized to advertise for bids, or authorize at the appropriate time for contractual services, commodity purchases and/or capital expenditures throughout the fiscal year in accordance with the enclosed budget document and all applicable City ordinance policies or procedures in effect.

BE IT FURTHER RESOLVED, that pursuant to the Uniform Budgeting and Account Act, Section 19 (2), the City Manager may make transfers within a fund and activity if the amount to be transferred does not exceed 10% or \$25,000, whichever is greater, of the appropriation item for which the transfer is to be made, with prior notification to the City Council.

VOTE:

MOTION CARRIED (1 opposed)

3. East Point Resolution

Mayor Wallace stated that this is a resolution that effects the tax structure for local units of government. The City of East Pointe is asking other local units of government to join them in adopting this resolution.

CM 5-6-11 - A RESOLUTION TO URGE THE MICHIGAN LEGISLATURE AND THE GOVERNOR TO REEVALUATE AND MODIFY THE CURRENT TAX STRUCTURE TO PROVIDE FOR LONG-TERM STABILITY OF LOCAL GOVERNMENTS

Motion by Kivell, supported by Wedell

WHEREAS, in 1978 the Headlee Amendment to the Constitution of the State of Michigan of 1963 was passed which required, among other provisions, a local government to reduce its millage when annual growth on existing property is greater than the rate of inflation;

WHEREAS, prior to 1994, local governments were allowed to "roll up" their millage rates when growth on existing property was less than inflation, however, with the passage of Proposal A in 1994, such "roll ups" are prohibited with local governments thus being precluded from being able to share the benefits of any substantial market growth in existing property values;

WHEREAS, over the past several years local governments throughout the State of Michigan have been faced with serious financial challenges and steadily declining property values which have had an increasingly negative impact on the ability to provide municipal services as the result of a recession which has affected the entire nation;

WHEREAS, in response to falling revenues, local governments have been forced to make tough decisions and respond to growing financial challenges by considering and/or implementing the closing of parks, senior centers and community centers, laying off police officers and firefighters, and cancelling parades and community events, among others measures;

WHEREAS, it is further believed that the continuing decline in revenues in our State will also negatively affect libraries, trash removal, snow plowing, and other vital municipal services while the rest of the nation eventually recovers from the recession;

WHEREAS, it is feared that as the rest of the nation does slowly recover from these harsh economic times, local governments in our State will not be allowed to recover due to the current language of the Headlee Amendment and Michigan's tax structure making it increasingly difficult to attract and retain an educated workforce and businesses in the State of Michigan;

WHEREAS, the stability of local governments is vital to attracting residents and businesses to the State of Michigan and retaining existing residents and businesses;

WHEREAS, the City of South Lyon believes it is in the public interest to reevaluate and modify the current tax structure to provide for long-term stability of local governments;

WHEREAS, the City of South Lyon further urges all local governments in our State to adopt this Resolution and join together in requesting that the Michigan Legislature and Governor Snyder respond to this request.

NOW, THEREFORE IT IS RESOLVED that the City of South Lyon, by a majority vote of the City Council, respectfully requests the Michigan Legislature and Governor Snyder to reevaluate and modify the current tax structure and, further, strongly urges all local governments to join together in adopting this Resolution for the betterment of the people of the State of Michigan.

VOTE:

MOTION CARRIED (1 opposed)

4. Agreement with the City of Novi for Building Inspection Services

City Manager Murphy stated that the one year trial period with Novi will end in June. He has asked the City of Novi for a two-year contract renewal. There is one change that he has requested, which is Item G on exhibit A to indicate 4 meetings in general rather than 4 Construction Board of Appeals meetings. It is working very well and we have been very pleased with the way Novi has been performing. He is asking that Council adopt the two year contract. The agreement is the same whereby they receive 75% of the permit cost with the City retaining the 25%. Mayor Wallace stated that it is still very important to have our support staff at City Hall for residents to talk to.

CM 5-7-11 – APPROVAL OF BUILDING INSPECTION AGREEMENT

Motion by Kopkowski, supported by Kivell

To approve proposed two year Building Inspection Service agreement with the City of Novi.

Councilman Selden asked the estimated savings to the City. City Manager Murphy stated that it would be approximately \$40-50,000.

Andy Gerecke of the City of Novi stated that it is working well. Councilman Kramer stated that he has talked with a few individuals that have used the services and they were very pleased.

Councilman Kivell asked if we were to have increased activity, do they feel that they have enough personnel to cover both Novi and South Lyon. Mr. Gerecke stated that they do. He stated that they have two inspectors full-time and one part-time. They are just providing building inspections. The plumbing, mechanical and electrical are still separate.

VOTE:

MOTION CARRIED UNANIMOUSLY

5. Salt Shed Roofing Bids

Superintendent Renwick stated that the salt shed is in need of shingle replacement. It has been 20-25 years. We did go out for bid, but only received one bid, partly due to the pitch of the roof. The bid was \$7,352 and he is asking for a 10% contingency.

Councilman Wedell asked the amount that was budgeted. Superintendent Renwick stated that he budgeted roughly \$10,000.

CM 5-8-11 – APPROVAL OF BID – SALT SHED ROOFING

Motion by Kivell, supported by Selden

To approve the bid in the amount of \$7,352.00 to Weathercraft Contracting for roofing of the salt shed with a 10% Contingency.

VOTE:

MOTION CARRIED UNANIMOUSLY

Discussion was held on the contingency. Superintendent Renwick stated that it will be determined by the need for roof decking.

6. Bids for Heater Replacement

Superintendent Renwick stated that he had hoped to have this done sooner in the year, but we have been working on the energy programs. We are looking at getting something more efficient and replacing 4 of the older heaters. We had 3 bidders with Hauser coming in at the low bid in the amount of \$11,900. We are asking for approval.

Councilman Wedell asked the amount budgeted. Superintendent Renwick stated \$15,000.

Councilman Wedell asked if we have experience with Hauser. Superintendent Renwick stated that we have used Hauser in the past.

Councilman Morelli asked if we would qualify for any energy credits. Superintendent Renwick stated that we may be able to qualify for something through DTE. We will certainly check. Councilman Kivell stated that he would like us to do this on our own rather than through the coalition. Superintendent Renwick stated that the coalition has nothing to do with this.

Councilman Kramer asked what we will do with the old units. Superintendent Renwick stated that we will be pulling another unit out that is approximately 40 years old in one of the old buildings. The others we will simply dispose of.

CM 5-9-11 – APPROVAL OF BID – HEATER REPLACEMENT

Motion by Kramer, supported by Wedell

To approve the low bid for replacing 4 heaters with new radiant heating units in the garage areas at the Public Works Garage to Hauser Heating for the amount of \$11,900.00

Councilman Morelli stated that he is happy to see both bids go to South Lyon businesses.

VOTE: MOTION CARRIED UNANIMOUSLY

7. Memorial Day Parade Request

Chief Collins stated that the request is the same as in past years. The VFW is asking to conduct the Memorial Day Parade on May 30, 2011 at 9:00 a.m. The road closures are the same as in years past, and he is recommending that we approve

CM 5-10-11 – APPROVAL OF ROAD CLOSURE – MEMORIAL DAY PARADE

Motion by Selden, supported by Morelli

Mayor Wallace stated that it is a wonderful parade ending with a great service at the cemetery.

Resolve that Julie Zemke, City Clerk/Treasurer is hereby authorized to make application to the Road Commission for Oakland County on behalf of the City of South Lyon in the County of Oakland, Michigan for the necessary permit to conduct Memorial Day Parade on May 30, 2011 at 9:00 a.m. and the related street closures:

- Lake Street between Warren Street and Reynold Sweet Parkway

And that the City of South Lyon in the County of Oakland, Michigan will faithfully fulfill all permit requirements, and shall save harmless, indemnify, defend, and represent the board against any and all claims for bodily injury or property damage, or any other claim arising out of or related to operations authorized by such permits as issued.

VOTE: MOTION CARRIED UNANIMOUSLY

MANAGER'S REPORT:

City Manager Murphy stated that the meeting with RCOC is May 16th at 3:00. That same day, the MSU group will be coming out to give a wrap up of the first two meetings that they held.

City Manager Murphy stated that the city-wide spring clean-up will take place Saturday, May 21st starting at 9:00 a.m. at City Hall. He further stated that he would like to point out that the girl scouts who will be handling three of our gazebos want to take out the bushes at the Wendy's location as well as Busch's. They feel that the bushes tend to conceal the vandalism that takes place. We will wrap everything up at 2:00 p.m. with hot dogs and hamburgers at McHattie Park.

City Manager Murphy stated that he was able to attend the National Day of Prayer ceremony at Veteran's Parking lot last Thursday.

City Manager Murphy stated that Dan Hunter from the Oakland County Economic Development will be at our next meeting to talk about tax abatements and what is involved.

City Manager Murphy stated that he has met with representatives from Premier Properties about our Housing Commission. He has asked that they schedule quarterly meetings of the Commission. The first will be in June.

Superintendent Martin stated that the well is complete, the paperwork and permits have been sent to the DEQ, and the moment they are approved, we can put an end to the work. He stated that we had a small amount of vandalism at the well, which was very disappointing. The wellhead was broken into and debris put down the well. The cap was welded on, and we showed up Monday morning to find the lid had been chiseled off. We removed the debris and Peerless came and re-welded the lid securely. The question was asked what the charge was for Peerless to come out. Superintendent Martin stated that we have not gotten an invoice yet, but we expect approximately \$800.

Superintendent Martin stated that he was going to bring forth the information tonight for an enclosure for the well, but the information was not complete. He received three quotes. One was for a pre-fab building, but would not look the greatest. In order to continue the brick, the cost would be approximately \$70,000. We met with the Mill today and came up with an idea to have them design a stainless steel enclosure. It would be a great opportunity and it has a lot of possibility. It would weather proof and sound proof it, and the price would be very attractive. He will have more information at a future meeting.

COUNCIL COMMENTS:

Councilman Selden stated that he has a car that uses flex fuel. There is no station in South Lyon that sells E85. He further discussed the use of flex fuel.

Council Member Kopkowski congratulated Councilman Selden for receiving the Townie Award and congratulated Mayor Wallace for the choice that they made.

Councilman Kivell asked the status of obtaining the easement along 8 Mile. City Manager Murphy stated that they are projecting the bids will go out in July. They will do what they can until the end of the construction season and start again in April. Councilman Kivell asked how that will impact the trail. City Manager Murphy stated that it will happen at the same time.

Councilman Morelli congratulated Councilman Selden for the Townie Award.

Councilman Morelli stated that he sits on the ZBA and a recent case dealt with a gentleman who installed an air conditioning unit without a permit and it was installed improperly. He would like the City Manager to give an extra hour per week to our Enforcement Officer to drive around to try to catch these individuals who are doing things without permits. The only way they are being caught now is if a neighbor turns them in. Discussion was held on the Police Department being on patrol and the fact that they can keep their eyes open as well. Further discussion was held on enforcement.

Councilman Kramer stated that he is very disappointed to know that after spending all of the money to drill the new well that someone would feel the need to chisel off the cap and put debris down there. He stated that he hopes that the individual(s) are caught and that we can go after them for the Peerless bill.

Councilman Kramer would encourage everyone to come out Monday to the South Lyon Theatre to see the MSU presentation.

Councilman Kramer asked if there has been any progress with meeting with Lannie Young for a joint meeting. City Manager Murphy stated that he met with Mr. Young and spoke generally and they will be meeting again to narrow down the scope before coming back to Council.

Councilman Wedell stated that it took a short time to adopt the budget. He would like to take the time to thank the staff who put 100s of hours of work into it.

Councilman Morelli stated that he was at a recent 5k walk at Providence Novi. He had a couple of Novi City Officials come up to him and congratulated the City of South Lyon for what we were able to do with our budget.

Mayor Wallace stated that the dog rescue walk fundraiser is this Saturday at 9:00 a.m. at McHattie Park.

Mayor Wallace stated that Friday's procession for our fallen soldier was a wonderful site. He had opportunity to talk with all of the television stations. They all commented on what a wonderful community we have. It was a somber moment, but it was very touching. There were groups from all over.

ADJOURNMENT:

CM 5-11-11 ADJOURNMENT

Motion by Kramer, supported by Morelli

To adjourn meeting at 8:25 p.m.

VOTE:

MOTION CARRIED UNANIMOUSLY

Respectfully submitted,

Tedd M. Wallace
Mayor

Julie C. Zemke
City Clerk/Treasurer