

**CITY OF SOUTH LYON  
REGULAR CITY COUNCIL MEETING  
MAY 10, 2010**

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, Kramer, Morelli, Selden and Wedell  
City Manager Murphy  
City Clerk/Treasurer Zemke  
Attorney Lee  
Department Heads: Collins, Martin and Renwick

ABSENT: Council Member Kopkowski

Mayor Wallace stated that he received a phone call today regarding Council Member Kopkowski. She had been on vacation and although she was able to leave Europe despite the flight disturbances from the volcano, she has been stranded in New York.

CM 5-1-10 – EXCUSE ABSENCE

Motion by Kivell, supported by Morelli

To excuse the absence of Council Member Kopkowski

VOTE:

MOTION CARRIED UNANIMOUSLY

**APPROVAL OF MINUTES:**

Councilman Kivell stated that on page 2, in talking about maintenance agreement, he would like the following comments added: "We should make this opportunity available to all local farmers. Kivell stated that he would have preferred a drawing as opposed to awarding the value of the property to one person without outside influences to the decision. He said this smacks of the old boy network because nobody else had been given the opportunity for this deal as they are both subject to tax."

CM 5-2-10 – APPROVAL OF MINUTES- APRIL 26, 2010

Motion by Wedell, supported by Selden

To approve the minutes of the April 26, 2010 Regular Council meeting as amended

VOTE:

MOTION CARRIED UNANIMOUSLY

**APPROVAL OF MONTHLY BILLS:**

Discussion was held on various bills.

CM 5-3-10 – APPROVAL OF MONTHLY BILLS

Motion by Selden supported by Kramer

To approve the monthly bills as presented

VOTE:

MOTION CARRIED UNANIMOUSLY

**APPROVAL OF AGENDA:**

It was stated that Council Member Kopkowski requested that Old Business #1 for consideration of the International Fire Code – Fire boxes be removed from the agenda so that she may be present for that discussion.

**CM 5-4-10 APPROVAL OF AGENDA**

Motion by Kivell, supported by Selden

To approve the agenda as amended removing Old Business #1

VOTE:

**MOTION CARRIED UNANIMOUSLY**

**PUBLIC COMMENT:**

Mayor Wallace stated that three years ago, he and his family started the Norma Jean Wallace "Townie" Award named after Norma Wallace because she was always contributing to the community and always involved in many things and helped this town. This year's recipient is one of the most worthy individuals you can imagine. Gary Fagin joins Jeff Potter, Diane Wynings and Gail Smolarz to receive this award. Many people do not realize the extra efforts Gary has put into this town including volunteering his own time, using his staff, etc. to make this town look great. For his heroic efforts, volunteering his time and labor to South Lyon Michigan, he has helped us maintain our heritage and keep us proud.

Mr. Gary Fagin stated that he was fortunate to know Mrs. Wallace and with her name on the award, it makes it very special. He stated that we all love South Lyon. With this award, he would like to ask the people of this town that we live in to embrace it.

Mr. Carl Richards of 390 Lennox stated that he had several comments regarding the bid sheets for the work that needs to be done at 390 S. Lafayette that he requested on behalf of Active Faith. He questioned items such as the required license to do the work, indemnity bond, access to the building and who would pay for the storage of the materials removed from the building. He further questioned if the owner does not pay for the work, can a lien be placed on the property. He asked if the signs on the roof would become part of the trash or would it be retrofitted to the building. He stated that because of these questions, he would request that the bid period be extended.

Mr. Troy Wideman representing the New Life Center stated that he would like to take this opportunity to introduce who they are and what they have been doing in the community. They are located at 521 Mill Street. They took an industrial building and put in a basketball court, batting cages, etc. Their purpose is to love the community and serve this community. They work through donations and have been operational since November of last year. They have plans to put in a youth lounge area. They have a passion for youth and see a community with over 7,000 enrolled and no community center for them to go. They felt called to provide something to them. Mayor Wallace stated that if anyone has an opportunity, they should take a tour of the facility. It is what the community has been hoping for, to have a community center. Mr. Wideman stated that they will be opening at noon during the summer months and close at 9 p.m. Currently they open at 3 p.m. and are staffed by volunteers.

**OLD BUSINESS:**

1. ~~International Fire Code: Access Boxes~~ Removed from the Agenda
2. 9 Mile road Project

City Manager Murphy stated that there had been some questions about the 9 Mile Road project and has asked Mr. Jesse VanDeCreek from HRC to speak to Council about that. Mr. VanDeCreek provided an aerial view of the project. He stated that 9 Mile Road is unique in that it is the only mile road in the City that is under the jurisdiction of the City from Pontiac Trail to Dixboro. This stretch of road, according to various surveys, has been determined as the worst condition in the City. It is a very expensive project. Concrete road projects such as this cost approximately \$1.5 million per mile. February last year the first round of stimulus money was released initially to the South Lyon, Brighton, Howell area. He and the City Manager attended a meeting with Mike Crain of the Livingston County Road Commission who was handling the money. The design needed to be done within 6-8 weeks and programmed immediately. They urged the group to consider this stretch of 9 Mile because it is a heavily traveled area. They agreed and gave us \$500,000+ and Council gave the approval to proceed with the project. Since that time there have been some questions about extending the center left-turn lane and potentially extending the right-turn lane. He asked their Traffic Engineer to prepare a memo on both options with some conclusions. He discussed the need of a left-hand turn lane, and the fact that left-hand turn lanes reduce the potential for rear end collisions. With regard to the right-hand turn lane, it was concluded that ½ of the traffic is turning south and ½ is turning north. The conclusion is that if we connected the existing lane at the corner of the retail center to the back of the curb along Fountainview Drive, we would extend our queue length from 50 feet to a few hundred feet minimizing the potential for a rear end collision. The question is whether we want to fund those improvements that were not formally warranted. He discussed the number of accidents over the past five years in this area. He summarized what has happened to date on the project. He discussed how the City has been active with the County in paving other roads and the costs of those projects. On this project, the low bid came in at \$671,268.88 and we will be receiving funding from ARRA in the amount of \$509,146. That leaves \$162,122.88 that the City will be responsible for.

Discussion was held on the difference between the estimate and the actual bid costs. Mr. VanDeCreek stated that they worked the proposal up overnight with no survey work, etc. The engineering typically is 25% of the cost. The next amount of money the City will be responsible for is the design. To date the design has been \$116,000 and they anticipate that with construction observation, testing and quality control, it will be an additional \$58,000 more. The total cost of the project is \$845,914.88. With the cost of construction and engineering, the cost to the City will be \$336,768. Discussion was held on the budget. City Manager Murphy stated that we did not budget for the overages on the bid coming in. Councilman Kivell stated that it is not uncommon for HRC to give us an estimate greater than the bid actually coming in. Mr. VanDeCreek stated that when they estimated the bid, they utilized the bid prices from last year when things were coming in low. Contractors have work now. Furthermore, this has to be a three-phase job and have to keep the road open 100% of the time for the retail access and school access. City Manager Murphy stated that they were hoping to start the work in September, but had to put it off because of bussing schedules so MDOT did not bid it out until two months ago.

Mr. VanDeCreek stated that the goal of this project was to keep the cost down and we were not including any upgrades. Because of the timing, they were not able to consider any upgrades. Now we are in a position that if Council wishes to proceed with the upgrades, he feels confident that he could now go to the contractor and negotiate the change order using the existing prices for the quantities. We are talking about extending the left-turn lane from the intersection to the third entrance to the school and extending the right-turn lane to the Fountainview Drive lane. He stated that we already have authorization to rip the whole road out.

Discussion was held on the crushed curb. Councilman Morelli stated that if it is replaced exactly the way it was, the curb at the right-turn lane will be crushed again. He stated that all of the trucks and busses make their own lane and drive over the curb. Further discussion was held on the curbs and the width of the road. Mr. VanDeCreek discussed the amount of road to be added for just \$42,000. He stated that this is taking the quantities as bid. We still need to take it to the contractor and ask if he will honor those costs. We have had good success with this in the past. That cost also includes the engineering for re-design. It is an all-inclusive cost predicated on the contractor agreeing.

Councilman Morelli asked if this will also change the turning radius. Mr. VanDeCreek stated that improving the right turn lane will prevent a lot of the problems. If we have the queue space, you will have less people trying to push their way up.

Councilman Kivell stated that although these improvements are not warranted by the Road Commission, it is a quality of life issue. He further asked if there is going to be any mechanical repairs to underground. Mr. VanDeCreek stated that all of the surface structures are going to be replaced but no new storm sewer, etc. This is one of the areas that is good. Discussion was held on the concrete being replaced with asphalt. Discussion was held on the concrete road withstanding 20 years of use without any significant maintenance.

Councilman Kramer stated that the Major Streets and Local Streets show a balance of \$407,000 and asked if we have money coming out of that. City Manager Murphy stated that we do on a regular basis for maintenance, etc. He stated that these additional funds would come from Capital Improvements, which is where these projects should be funded. He further stated that he will be bringing back budget amendments at the next Council meeting.

Councilman Kivell stated that we are in an enviable position. We read in the paper every day about the State and how they are not able to capitalize on the money that is available because we as a State do not have matching funds. We are able to take advantage of the \$500,000+ in Federal funds. Furthermore, we are talking about a marginal increase for such an advantage.

Mr. VanDeCreek stated that he would like authorization from Council to proceed because we had a pre-con meeting last week and we would like to get the re-design work in well before we start the project.

#### CM 5-5-10 – APPROVAL OF ADDITIONAL WORK – 9 MILE ROAD PROJECT

Motion by Morelli, supported by Kramer

To approve the additional work for the 9 Mile Road Project for Center Left Turn and Right Turn Lanes in an amount not to exceed \$45,000

VOTE:

MOTION CARRIED UNANIMOUSLY

City Manager Murphy stated that it had been mentioned that the project should have been done this way from the beginning, however it had to be shovel ready to qualify for the funds. We did not have time to design it.

#### NEW BUSINESS:

##### 3. a. Acceptance of resignations

Mayor Wallace stated that we have two letters of resignation that Council needs to accept.

#### CM 5-6-10 – ACCEPTANCE OF RESIGNATIONS

Motion by Wedell, supported by Morelli

To accept the letter of resignation from Robert McConnell from the Parks and Recreation Commission and the letter of resignation from Richard Subotich from the Planning Commission with thanks for their service

VOTE:

MOTION CARRIED UNANIMOUSLY

Mayor Wallace stated that we have received an application from Jerry Chaundy for the Planning Commission. He stated that he asked him to apply for this position. He has been to many Council meetings and involved with other groups. Also, his engineering degree will be helpful to the Commission.

b. Appointment to Planning Commission

CM 5-7-10 – APPOINTMENT TO THE PLANNING COMMISSION

Motion by Wallace, supported by Morelli

To appoint Gerald Chaundy of 22195-1 Quail Run Circle to the Planning Commission to a term ending 2011

VOTE:

MOTION CARRIED UNANIMOUSLY

Mayor Wallace stated that Jeff Thompson has made application to the Parks and Recreation Commission. Unfortunately, he was not able to be at the meeting tonight due to a previous engagement. He has been at Council meetings and has shown interest in the parks and his family uses the parks on a regular basis.

c. Appointment to Parks and Recreation Commission

CM 5-8-10 – APPOINTMENT TO THE PLANNING COMMISSION

Motion by Wallace, supported by Morelli

To appoint Jeff Thompson of 225 W. Lake Street to the Parks and Recreation Commission to a term ending 2013

VOTE:

MOTION CARRIED UNANIMOUSLY

4. Downtown Saturday Night

Mr. Gary Childs representing the Chamber of Commerce stated that they have submitted the proper paperwork in order to close the roads for a concert and beer tent. Mayor Wallace stated that stage area will be set up in the four-corners area with the beer tent in front of Tenpenney. He stated that any attempt to bring people to downtown and enjoy our downtown is important to the community.

CM 5-9-10 – APPROVAL OF STREET CLOSURES – DOWNTOWN SATURDAY NIGHT

Motion by Selden, supported by Wedell

Resolved That Julie Zemke, City Clerk/Treasurer is hereby authorized 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 permits to for the May 2010 Downtown Saturday Night from 2:00 p.m. to 11:30 p.m. on May 15, 2010 and the related road closures:

Lafayette St. between Liberty St. and Whipple St.; and Lake St. between Wells St. and Washington St.

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

## 5. Amendment to Section 102-442, Building Façade Design

Pam Weipert, Chairperson of the Planning Commission stated that building façade is a topic that is near and dear to the Planning Commission. They often get developments that come in with buildings they do not think are aesthetically pleasing. They work with the developer to make something they feel is fitting for our town. One of their biggest successes is the AT&T building. When it was first proposed, it was a square box and now it looks like a very attractive house. They have been fortunate in being able to work with the developers.

Mayor Wallace asked if they have a theme in mind. Ms. Weipert stated that they have no theme. Discussion was held on the problems involved with having themes.

Ms. Weipert stated that the Planning Commission has worked for over a year to formalize the process. In the past they worked on a system of points for various aspects of their architecture. However, when they used the point system, they found out that some of the buildings in town they felt were attractive actually scored low. Therefore, they concentrated on improving the ordinance. The changes are minor. It talks about this as the floor rather than the ceiling. This is the minimum requirement. It was stated that this was important because in the past, developers have only met what was considered the absolute minimum requirement. Ms. Weipert further explained the changes including that this applies to all exterior wall façade except for single family residential, for new construction, redevelopment that entails more than 25% of the façade and any façade changes that are in excess of \$10,000.

Councilman Kivell stated that we had a growth spurt in the past that did not make too many aesthetic changes. Although everyone was welcoming the growth that was taking place, we were getting much more utilitarian buildings.

Ms. Weipert stated that they also addressed the materials that are used for the sculpted aspects cannot be down near the ground because it can be damaged more easily.

Councilman Selden stated that certain areas of Colonial Acres is currently replacing the wooden siding with hearty board and asked if this ordinance would affect them. Ms. Weipert stated that the Planning Commission did not discuss residential, but felt strongly that for commercial buildings, this material should not be placed all the way down to the ground.

### CM 5-10-10 – FIRST READING – CHAPTER 102 SECTION 102-442 – BUILDING FAÇADE

Motion by Morelli, supported by Selden

that this be the first reading of Chapter 102 Section 102-442 Building façade design.

VOTE:

MOTION CARRIED UNANIMOUSLY

## 6. Medical Insurance

City Manager Murphy stated that he would like to change the insurance that we currently provide employees from a Blue Cross/Blue Shield Plan #2 to a Plan #15. The plan #15 has a \$5,000 deductible but is proposing that the City cover that deductible for the employees. We estimated a usage of 45%, which on average is actually 30%. Last year our employee utilization was 28%. At a conservative estimate of 45% we would see \$110,000 in savings. It is the same plan for the employees with the exception of a \$30 office visit rather than \$20, but we will reimburse the employee the additional \$10. We would be using a third party to administer the payment of deductibles. Overall, we think that we will see a minimum savings of \$110,000, but will probably be closer to \$175,000.

Councilman Wedell asked the cost to the City for the third party administrator. City Manager Murphy stated that cost would be \$7,068 per year. City Clerk/Treasurer Zemke stated that the cost is \$15.50 per month per employee.

The question was asked about the out of network costs. City Manager Murphy stated that the difference between the in-network and out-of-network cost would be the employee's responsibility.

City Manager Murphy stated that there is no difference to the employee other than the benefit of not paying the deductible. The City is going to reap the benefits that Blue Cross has been getting from all of us over the years in the lack of utilization.

Councilman Morelli stated that nothing is changing from the employee standpoint, but we are picking up the deductible. City Manager Murphy stated that currently we reimburse the employee 50% of the charges paid toward their deductible. City Manager Murphy stated that we are trying to make this as seamless as possible. He further stated that he asked two unions to open up their contracts to freeze wages and this was a trade-off to do that. We are proposing a police contract tonight. Councilman Kramer asked that even though we are going to pay 100% of the deductible it is still being proposed that the City will save \$110,000. City Manager Murphy stated that is what we are saying, which is still conservative. We also have the option next year to change the plan to go to an even higher deductible once we get the data back to see what our utilization is.

City Manager Murphy stated that we are also proposing to change the prescription coverage. The employee will see no changes there either. This will also be through the third party.

#### CM 5-11-10 – CHANGES IN MEDICAL INSURANCE

Motion by Wedell, supported by Kivell

To approve the change in employee health benefits from the current BCBS Plan 2 to BCBS Plan 15 w/EHIM prescription coverage

VOTE:

MOTION CARRIED UNANIMOUSLY

Councilman Wedell stated that this was a job well done.

#### 7. Union Contracts

##### a. Amendments to A.F.S.C.M.E. and I.U.O.E. Contracts

City Manager Murphy stated that both of these contracts are in place now. We asked them to open up the contracts to discuss wages. All of the employees and all of the unions were great to work with. They understand the economic reality. The AFSCME contract has one year left, and they have agreed to freeze wages for that year. The IUOE contract has two years left and have agreed to freeze wages for the second year and a wage reopener for the third year.

#### CM 5-12-10 – APPROVAL OF AMENDMENTS TO UNION CONTRACTS

Motion by Kivell, supported by Morelli

To approve the amendments to the A.F.S.C.M.E. and I.U.O.E. (Clerical) Union Contracts as presented

VOTE:

MOTION CARRIED UNANIMOUSLY

Councilman Kivell thanked the City Manager, the Unions and all of the employees.

b. Police Contract

City Manager Murphy stated that both the Police contracts are up, but we are only looking at the Command Unit at this time. We do have a tentative agreement with the Officers, but they wanted to have their Union Representative review the changes before presenting it to Council. The Command Contract represents 0% wage increase for the three years. There were a few items negotiated that are considered non-economic with the exception of the tuition reimbursement which was increased. He stated that any time an employee can better themselves benefits both the employee and the City.

Attorney Lee stated that there was a typo in section 25.2. He further stated that he was concerned about the clarity of section 21.5 which talks about the officer having the opportunity to take the holiday off. The way the wording is, it indicates that the employee would get his regular shift pay, which would be the holiday pay. What was intended was that the employee would receive regular non-holiday pay. The intent was there, but the change in language will make it much clearer.

Attorney Lee stated that when a tentative agreement is reached, management then approves it. It is then ratified and executed by the union.

CM 5-13-10 – APPROVAL OF UNION CONTRACTS – P.O.L.C.

Motion by Kivell, supported by Morelli

To approve the contract between the City of South Lyon and the Police Officer's Labor Council (P.O.L.C.) for the period of July 1, 2010 through June 30, 2013 with the suggested changes

VOTE: MOTION CARRIED UNANIMOUSLY

Councilman Kivell stated that again, this is very good work. Both sides seem to be happy.

8. Set Public Hearing for Budget

CM 5-14-10 – SET PUBLIC HEARING – FY 2010-2011 BUDGET

VOTE: MOTION CARRIED UNANIMOUSLY

Councilman Kivell stated that at the budget workshop, we had talked about a two-year budget. City Manager Murphy stated that we are currently working on it and it will be incorporated with the document submitted to Council.

**MANAGER'S REPORT:**

**COUNCIL COMMENTS:**

Councilman Morelli stated that he is happy to see our restaurants and coffee houses providing outdoor seating, but he would like us to make sure that they are adhering to our ordinances. For example, the seating at the Tuscan Café where the tables seem very close to the edge. City Manager Murphy stated that we have been looking at it and it does appear that they conform to the ordinance. The problem is that there is a pole at the corner. He will talk with them. Further discussion was held on ADA requirements.

Councilman Kramer stated that he would like to thank the Mayor for showing the Cub Scouts around City Hall and thank the City Manager and City Clerk as well. They had a great time.

Councilman Wedell stated that anyone who has been reading the newspaper in recent months knows that municipal employees are taking pay cuts. The City Manager and the employees deserve recognition for coming to some good agreements and preserving jobs with no lay-offs or reduction in pay. We are one of very few cities that can say that. Councilman Selden concurred.

Councilman Kivell stated that the same concern about the Tuscan Café came to his attention as well. He discussed watching someone trying to get a wheelchair through the area. He stated that he assumed that the ordinance addressed the distance between objects, not just the curb. Further discussion was held on the ADA requirements and the need for the 5 feet of clearance. It was stated that it looks very good, but we do need to address the clearance issue.

Mayor Wallace stated that this is Mental Health Month. One in four people will have a problem that requires treatment in their lifetime.

Mayor Wallace stated that he will be presenting a proclamation at St. Joseph Catholic Church this weekend celebrating their 100<sup>th</sup> year in the City.

Mayor Wallace stated that he would highly recommend that people go down and check out the New Life Community Recreation Center. Their hours are 3-9 p.m. on weekdays, 9-6 p.m. on Saturday and 1-6 p.m. on Sunday. He feels that this is going to answer some needs that this community has been desperate for. He wishes them the best of luck.

**ADJOURNMENT:**

**CM 5-15-10 ADJOURNMENT**

Motion by Morelli, supported by Kramer

To adjourn meeting at 8:58 p.m.

VOTE:

MOTION CARRIED UNANIMOUSLY

Respectfully submitted,

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Tedd M. Wallace  
Mayor

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Julie C. Zemke  
City Clerk/Treasurer