

CITY OF SOUTH LYON
REGULAR CITY COUNCIL MEETING
DECEMBER 11, 2017

Mayor Pelchat called the meeting to order at 7:33 p.m.
Mayor Pelchat led those present in the Pledge of Allegiance

Present: Mayor Pelchat, Councilmembers; Kivell, Kurtzweil, Parisien and Richards
Also present: City Manager Ladner, Chief Collins, Chief Kennedy, Attorney Wilhelm, Clerk Deaton
Mayor Pelchat stated Councilmembers Rzyzi and Walton will both be absent due to work conflicts.

CM 12-1-17 MOTION TO EXCUSE ABSENCES OF COUNCILMEMBERS RYZYI AND WALTON

Motion by Kivell, supported by Parisien
Motion to excuse Councilmembers Rzyzi and Walton

VOTE: MOTION CARRIED UNANIMOUSLY

MINUTES

Councilmember Kivell stated in the last line on page 2, the word are should be removed and the sentence should read, Councilmember Kivell stated he is happy people recognized it for what it is. He further stated on page 3, it should state but we enjoy that there is no sunset on our DDA. Councilmember Kivell stated on page 3 Joe referred to the gentlemen from Arcadis as Mr. Arcadis, but his name was actually Mr. Sclafani. Councilmember Kivell stated on page 5 for the RC should be CR for the closure report done. He further stated on page 10 the sentence should be corrected to state Chuck Harmon was a Navy Seabee, not Navy Seal.

Councilmember Kurtzweil stated as a point of parliamentary procedure there was a correction requested for a name change, but if the gentleman was referred to as Mr. Arcadis, you cannot change a name unless that name was stated and if that was said, you cannot alter what was said according to the Roberts Rules of Order.

Councilmember Richards stated on page 9 he included Cultural Arts Commission in the sentence discussing the planning commission and that needs to be added.

CM 12-2-17 MOTION TO APPROVE MINUTES AS AMENDED

Motion by Parisien, supported by Kivell
Motion to approve minutes as amended

VOTE: MOTION CARRIED UNANIMOUSLY

BILLS

Councilmember Parisien asked about a check for \$600.00 for Highland Treatment Inc. City Manager Ladner stated that is the company we are contracting for the operator with the Class B License we lost when Bob Martin retired. Councilmember Parisien asked about the HRC invoice for \$130.00 City Manager Ladner stated they review the site plans to ensure the drainage is properly in place and to make sure they meet all of the City's engineering specifications. Councilmember Parisien then asked about the charge from HRC for \$1458.00. City Manager Ladner stated that is for the required storm water asset management and permit requirements for MDEQ and it is done every 5 years and always done by an engineer. Councilmember Parisien asked about the invoice for \$360.00 for a water main shut off tool.

City Manager Ladner stated it is a tool we use for shutting off mains for water leaks or work that needs to be done, we borrowed one at one time, but we needed one so we purchased one. Councilmember Parisien asked about the invoice for HRC for \$9,160.00. City Manager Ladner stated that is for work and documentation they are working on for the bid specifications for the painting of the interior and exterior of the water tower. Councilmember Parisien asked if the bid was chosen yet. City Manager Ladner stated it is still out for bid. Councilmember Parisien asked if this is something our department could have done without hiring HRC. She further stated she thinks we should have someone here from the Water and DPW departments to answer these questions because they are licensed and qualified to speak to these matters and if they could be doing some of this work without hiring HRC which is more expensive. City Manager Ladner stated this was in motion before Bob Martin retired and it was Bob's intent to use HRC to do the specifications. Councilmember Parisien stated she was told differently and she was told HRC was not a part of this and the bids were done through the department. She would be more comfortable speaking to someone in this field, to ask them if they are capable of doing some of this work or if we need to hire HRC.

Councilmember Richards asked about the check for CIB Planning for \$3,100.00 and if we write this out for 6 months. City Manager Ladner stated that is for their retainer as well as per project basis reviews whether it be documentation, meeting with clients, reviewing site and building plans. Councilmember Richards asked if they bill on a monthly basis, because they haven't been doing much. City Manager Ladner stated you may not be fully aware of all of the things CIB does for the City. Councilmember Richards stated the planning commission meetings are always cancelled. City Manager Ladner stated that doesn't mean there isn't work going on. Councilmember Richards asked about the check written to Windstream. City Manager Ladner stated that is for the City's phone service, such as phone lines into all City buildings, and rental of phones and voicemail system, and the maintenance contract as well as any long-distance charges. Councilmember Richards stated the phones go through Windstream before AT&T. City Manager Ladner stated we do not use AT&T, we only use Windstream. He stated he had the same question Mary did about the bill for HRC for \$9,160 because he doesn't think that has been painted yet. City Manager Ladner stated it hasn't been painted yet, that is for the bid specifications for the bid to be put out for it to be painted in 2018. Councilmember Richards stated he would like a note made regarding paying them this much now.

Councilmember Kurtzweil stated the revenue report shows a reduction for the tax revenue amended budget year to date, and there is a \$400,00 difference, does that mean we will be getting that much in February taxes or did we overestimate. City Manager Ladner stated it could be delinquent taxes, it could be tax tribunal taxes, or it could have been an overestimation. We have had several tax tribunals that were successful. She then asked if we amend the budget when we have a change in revenues or just expenditures. City Manager Ladner stated she is planning on looking at revenue amendments in February.

CM 12-3-17 MOTION TO APPROVE BILLS

Motion by Kivell, supported by Kurtzweil

Motion to approve the bills as presented

VOTE: MOTION CARRIED UNANIMOUSLY

AGENDA

Councilmember Kivell stated at the last meeting we overlooked combining the fee for the furnace and air conditioning permit so he would like that added to the agenda tonight. City Manager Ladner stated we received the new fee schedule from Dennis Smith with that already combined.

CM 12-4-17 MOTION TO AMEND AGENDA

Motion by Kivell, supported by Kurtzweil

Motion to approve the agenda as amended adding combining A/C and Furnace building permit fee

ROLL CALL VOTE:

Kivell- Yes
 Parisien- Yes
 Pelchat- Yes
 Richards- Yes
 Kurtzweil- Yes

MOTION CARRIED UNANIMOUSLYPUBLIC COMMENT

Ryan Lare of 716 Grand Court stated he attended the holiday party with Councilmember Richards and it was nice to see everyone there and hats off to Corry Bala for doing a great job, it was a great evening. Mr. Lare stated he and Carl attended the 66th annual Senior Citizens Christmas Dinner given by the Kiwanis and the Girl Scouts. It was a wonderful dinner and even had entertainment. He further stated our cadet Lachance was there and our former Mayoral candidate Ashley Enstad was there as well.

Linda Ross 372 Harvard stated she is the South Lyon Historical Society and she wanted to thank the community for their support. She stated they had 2 events at the Chapel in the last week and over 45 people attended. She stated they wanted to thank the Village String Dulcimers for their lively entertainment and she looks forward to having them back next year which will be their 10th year. She then thanked the community for their support for Cool Yule, it was the most attended so far. Ms. Ross stated they wanted to thank Harvey Wedell for being the Grand Marshal and announcing the Ginger Bread House winners. She thanked Mayor Pelchat for welcoming the visitors and giving the key to the City to Santa. She then thanked Santa and Mrs. Clause for taking time out of their busy schedule to greet over 100 children. She then thanked the Girl Scout Troop 70869 for being Santa's helpers. Ms. Ross thanked the High School Jazz Choir and the Presbyterian Tuba Band for the wonderful music in the Chapel, both performances were well attended. She then thanked the Senior Center for all the wonderful baked cookies for the bake sale. Ms. Ross thanked the Police and Fire Department for assisting with Santa's arrival and for the traffic control. She then thanked the entire Cool Yule Committee for putting the entire thing together, they did a lot of work to make this happen. Ms. Ross then thanked all of the Society members for their support and help for all of these events, they wouldn't happen without them.

OLD BUSINESS

1. Downtown

Mr. Donohue stated A Good Day Café should be opening on Thursday, if not it will be the following week. They are waiting for the health inspections. He further stated they will have a soft opening with a Grand Opening at a later date. Mr. Donohue stated the Design Committee will be meeting again this week to review the façade for 115 and 117 N Lafayette which will be exciting. He further stated we have had a lot of interest by housing developers looking at property in the City and they are hiring realtors to contact property owners. He stated they have all been given a copy of the Master Plan. Mr. Donohue

stated he is hoping we can start enforcing our ordinances on 4 key buildings downtown that he believes is bringing down property values. He stated 113 N Lafayette, 135 E Lake, 335 S Lafayette and 110 Detroit are the properties he is discussing. He stated we have done a lot of work on the ordinances and we should begin to enforce them. He stated he knows it costs money when our City Attorney is involved but this is important and taking away from what we are trying to do downtown. Councilmember Richards stated he knows about those properties and he is looking at them all the time and talking to them, but there is no news right now. He further stated he isn't getting anywhere. Mr. Donohue stated he thinks talking isn't going to get it done, the ordinances need to be enforced. Councilmember Richards asked Mr. Donohue how close in the next 5 years we will be able to get the master plan done. Mr. Donohue stated it can't be done in 5 years, but we are on the way. He further stated it is reasonable to say in 2-5 years there will be a significant amount of those things done. Councilmember Kurtzweil asked why we are not enforcing the ordinances. City Manager Ladner stated this is the first she has heard of this. Mr. Donohue stated this isn't the first time he has brought this up and he knows it is costly to involve the City Attorney but there needs to be some direction, we talked about these properties in Council meetings in the past.

Councilmember Kurtzweil stated she agrees and we need to understand there are times when the City Attorney may have to bill for large amounts of legal services that are related to visions the Council has set forward. She stated everyone agreed that the downtown should be an emphasis. She stated downtown is a priority, and enforcement needs to be done. If we need legal strategy on this that is legitimate billing from the Attorney. If we get these buildings fixed we will have new businesses and tenants coming in. Councilmember Parisien stated it is hard to utilize our Attorney when Council scrutinizes the bills. She applauds Mr. Donohue for trying to tackle this himself. Mr. Donohue stated the intent is for Council to give Management direction to use the City Attorney services to enforce the ordinances. Councilmember Kivell stated 2 of the properties are critical and in the event of mischief or fire, we could lose our entire downtown, both are tied to whole blocks of historic buildings. He further stated he doesn't know how practical it is, but the idea is if they could ascertain the cost of complying with the building standards they may be motivated to sell the property or it may end up giving them the incentive to make the improvements to their buildings to make more money, but they need to get on it. It can't stay sitting as a hazard in our downtown.

2. Consider resolution changing the City of South Lyon MERS Retirement Plan for new hires in the Non-Union Administrative employee division

City Manager Ladner stated this is the first step in changing the retirement plan for non-administrative new hires. She stated we are looking at a DC+ plan. She stated it would be a defined contribution with a 457 plan. It is currently set up with the City contributing 4% and employees will contribute 5% of their wages. She further stated there will be a sliding scale match of up to 3% into the 457 meaning the employee can contribute up to 3% additional and the City will match it, but the City's goes into the defined contribution. She further stated there is a 5-year vesting period. Councilmember Kivell stated one document had a probationary period of 6 months, another didn't have a probationary period.

Attorney Wilhelm stated currently there is no waiting period for the current DB plan. He stated there is a probationary period in the personnel manual, but it isn't being followed so it doesn't apply to the MERS. Councilmember Kivell stated this accomplishes a lot of our major concern with the legacy costs the DB plan and that we don't have the resources to be able to sustain any longer. He is appreciative there is some match money for the employee's contribution. He stated he doesn't recall if there is a cap on the employee's contribution. City Manager Ladner stated the IRS caps it from year to year. John Waugh of MERS stated the IRS does put a cap on it, but it shouldn't be an issue with the cap by the employee being 5% and the City's at 4%. He stated there is a potential for it to be an issue with the 457 plan.

Councilmember Kivell asked who monitors the IRS cap. Mr. Waugh stated it is monitored by the City

with the payroll at the end of year. Councilmember Parisien stated the mandatory of 5% from the employee with an option of another 3% is 8%. She stated she doesn't see many employees giving up 8% of their salary. Mr. Waugh stated 15% is a good rule of thumb for someone to contribute to retire comfortably. He further stated by structuring it the way you have, it will get the employee up to about 9% total. Mr. Waugh stated over someone's career we ran those numbers with a 6% rate of return from 30 to 65 years old, it will only get them to about 55% of their working income. The experts suggest getting to 70 – 80% for a comfortable retirement. He stated if you leave it to the employee alone, there is a good chance they will not contribute anything. By offering a match, it may help push people to work towards their own retirement. He further stated the City can contribute more dollars if they would like.

Councilmember Parisien asked if there are other communities where this was successful. Her reservation is she doesn't want to put our employees at a disadvantage. Mr. Waugh stated the average employer contribution in MERS is around 4% and the employee contribution is 8%, this is in line with most other communities. Mr. Waugh stated the City is close to the average. Councilmember Richards stated starting January 1st and the City hires new people, and they say they elect not to sign up for the program because of their age or they don't plan on staying, can they opt out. City Manager Ladner stated employees cannot opt out. Councilmember Richards stated all of the employees make a different amount of money. He further stated this will not alleviate our problem right now, but it will help. He then asked if someone works here for a while, then leaves and goes to college, then they come back to the City to continue with the City and raise a family, and maybe they don't plan to make it to 60, but they go along with it, will the money they made when they were in school go towards their retirement. City Manager Ladner stated part time employees are not eligible for the City's retirement. Councilmember Richards stated what if they come in as full time and they don't want to join the union. City Manager Ladner stated this only is in regards to new full time administrative employees. Councilmember Kivell asked if the number is decided upon, can it be changed in the future. City Manager Ladner stated that number can be changed by the employee and the change will be matched by the employer. Councilmember Kivell asked for clarification if a current fulltime member changed positions, would they have to be in the new plan. City Manager Ladner stated if a current employee changed positions, they would not be viewed as a new hire, it would be their decision if they chose to change plans. Councilmember Parisien stated she understands the benefit of contributing to your retirement, but her reservation is telling people what they have to do with their money such as requiring them to contribute 5% of their wages. Mr. Waugh stated by being a little parental about this in some ways, ensures they at least have some money when they want to retire, but if you don't you could end up with people that need to retire, but they can't, and people that don't want to be here but they have to be. Councilmember Kurtzweil asked if Mr. Waugh have seen the retirement bills at the State. She stated they are moving forward with tackling these legacy issues. She stated it is time for us to do something about this. She stated she spoke with a few ERISA attorneys and they agree this is a good plan. Mr. Waugh stated it is in line with other communities. Councilmember Kurtzweil stated she understands the numbers part of it as well as the unfunded liability part of it. She stated the numbers appear to be reasonable. She stated she and her husband are putting away as much as they can for their retirement. She then asked if a few years from now and the City gets their finances under control, can the City change the match number from 3% to 4%. Mr. Waugh stated yes, we are not locked into this number. Councilmember Kurtzweil asked Lynne if she looked at this in terms of the budget. City Manager Ladner stated she has, and any money that would have been contributed to the former employees, we will be spending that money towards our unfunded liability. It was then clarified that there will be no change in plans if a current employee is moved to a non-union position unless that employee chose to change. Councilmember Kurtzweil asked if this plan has a multiplier. Mr. Waugh stated it does not, this is like a 401K. Councilmember Kurtzweil then stated this is the kind of plan Lyon Township employees have and they have excellent employees in Lyon Township. She stated she doesn't

think what the retirement plan is dictates the kind of employees you get. Mayor Pelchat stated his concern is we weren't going to be able to offer the percentage. He stated while he sees the 5% possibly being a problem, it is the lesser of two evils because with additional matching we can offer people a job getting them close to what they should be saving for retirement. He further stated when you think about municipal jobs, you think of people that work hard and are committed, but you also want to be able to retire and enjoy your golden years. He further stated this is a small group but will get the ball rolling on this. Attorney Wilhelm stated the resolution explains why they are doing this, and this will close the DB plan for new hires and establish the new plan. He stated this resolution also establishes the new DC+ plan. Further discussion was held regarding the DC+ plan. Mr. Waugh stated you can pick and choose how you want to define compensation regarding if it includes base wages only, gross or some other customized number. He further stated there is no best practice. Councilmember Kivell asked if the list included was produced by the City. Attorney Wilhelm stated the list includes longevity, vacation, holiday, workers comp, weekly benefits, short and long-term disability and that is all included currently in the DB and will be included in the DC+ plan. Mr. Waugh stated there would be a spike in contribution when they receive their buyout, but it will not be a long-term legacy cost that you will have to continue to pay on. City Manager Ladner stated the only item she would question on the list is the short and long-term disability because of how it is handled now. She stated the employee signs over their disability check, then receives full compensation of their regular income. Attorney Wilhelm stated he thinks that is still a cash to cash issue, if they didn't sign over their check, it would be considered as compensation for that period. City Manager Ladner stated she doesn't know of anyone that has ever chosen to do that. Councilmember Parisien asked for clarification on the two resolutions. Mr. Waugh stated if an employee who is currently in a DB plan and is promoted, transferred or rehired they would be able to go into the whatever the closed DB plan would be as long as there is one active participant working there. Councilmember Parisien clarified that the 5% will be taken out of each paycheck, as well as the City contribution. Mr. Waugh stated basically for every \$100.00 you make, \$5.00 will be taken out of your paycheck. He stated that will be the pre-tax amount and it would probably feel like \$4.00. Councilmember Kivell stated this is what we were hoping to transition to, and it starts small and if there are any misgivings we can attend to it. No one will be hurt by this. He further stated he wants to make sure we correct the 6-month probation period in the resolution. Attorney Wilhelm stated the revised resolution is correct, the 6-month probation period was stricken. Councilmember Richards stated this is a small step in the right direction, but it doesn't solve the problem.

CM 12-5-17 MOTION TO ACCEPT REVISED RESOLUTION CHANGING MERS PLAN FOR NEW HIRES AND NON-UNION ADMINISTRATIVE EMPLOYEE DIVISION

Motion by Richards, supported by Kivell

Motion to accept the revised resolution changing the City of South Lyon MERS plan for new hires and the non-union administrative employee division and designate the City Manager to sign documents

VOTE:

MOTION CARRIED UNANIMOUSLY

3. Consider changing air conditioning and furnace permit fee to one permit and fee of \$80.00

CM 12-6-17 MOTION TO MODIFY FEE SCHEDULE TO REFLECT \$80.00 FEE FOR RESIDENTIAL FURNACE AND A/C REPLACEMENTS

Motion by Kivell, supported by Kurtzweil

Motion to modify fee schedule to reflect \$80.00 fee for residential furnace and A/C replacement

VOTE:

MOTION CARRIED UNANIMOUSLY

NEW BUSINESS

1. Cable Commission Update

Steve Kaukonen, Rich Perry, and Amber King of the Cable Commission were present to give Council an update. Mr. Kaukonen stated their Charter is two-fold. One is to facilitate the development and operation of the local access channel, they don't set procedure and policy, but they are here to help. Second is to provide the tools and technology to make the best of the channel. He further stated in FY 2017 we have done a decent job with getting more content on the channel. He stated most of the content was produced by the Cable Channel, but they need more volunteers to assist with content. He further stated it would have been nice to have someone cover the Cool Yule event, not just the parade. There are so many events and happenings in our town, it is not easy for just the 3 of us to gather all the content. Mr. Kaukonen stated we are now able to schedule the content on the channel to begin at the top or bottom of the hour, therefore there is more of a regular schedule. He further stated we have provided some of the content on a YouTube channel for people that can't get the cable channel. He stated their biggest challenge is time and content. We would like to find ways to find more volunteers to help with the content. Mr. Perry stated content acquisition is the biggest need. We are exploring what other communities are doing such as underwriting for local businesses. We are discussing having a slide or something to mention any local businesses that are contributing to the channel at the top of the hour. We have had some communication with the community and it has been positive. He further stated there is a lot of things going on in our community, and there is so much more to these activities that can be added to the channel. He stated they are hoping to have some money coming in by having a tiered payment system for footage of events. He stated it will be a small amount of money. He further stated many other communities do this and we are hoping to do the same. Councilmember Parisien asked if the cable commission will be deciding the tier of the level of content. Mr. Kaukonen stated it will be decided by the cable commission. He further stated he would like us to be able to put out there what content we are looking for, and hope that someone will be interested in doing so. Mr. Perry stated if someone comes to them with a high-level production, we will not blindly do so, but if someone wants to cover things that are non-profit, we can discuss the tier level with them. Councilmember Parisien asked if they reached out to local universities for interns or volunteers. Mr. Perry stated they aren't ready to do so yet, they need to have something in place first. Councilmember Parisien asked if they are still looking for grants. City Manager Ladner stated she has looked but has not seen anything. Mr. Perry stated this entity is not a 501c3 so we probably won't be eligible for most grants. Councilmember Parisien stated she is a huge proponent of this because this is technology, this is the future, and this is how everyone gets their information. She stated she wishes they could get some grant money. Ms. King stated we are still relying on the community and if the content is out there and you want to give that to us, we can put it together. It would be great to get all of Pumpkifest, not just one of them filming the parade. We really need volunteers. Councilmember Kurtzweil stated the Cultural Arts Commission could have filmed their exhibits and handed that in to be used on the cable channel. Mr. Perry stated they could have. Councilmember Kivell stated the Cable Franchise agreements don't have PEG monies and he believes if the Cable Commission has a wish list, and could generate some form of document that would outline where some kind of backing from those entities would be applied. He thinks they may entertain an offer to support the local cable channel. He stated there was angst at the beginning about how the submissions had to be screened, and is there now a process for things to be vetted before they go on air. Mr. Perry stated in the future if we are able to

dispatch a few productions a week, we will have a waiver in place and a form stating viewing the content is applicable to the best interest of the community.

Mayor Pelchat thanked them for their update. He stated it was huge to get a schedule going that starts at the top of the hour each hour so people can see when certain things are on. He stated the updates on the Facebook page is great. He further stated it is great to see that game plan moving forward with underwriting because he knows they will do it. Mayor Pelchat stated he will do the best he can to get the word out that the Cable Commission needs volunteers. Councilmember Richards stated he never understood why the younger people aren't flocking to them and coming out with content. He thanked them for all their hard work.

2. Discussion related to joint public safety building and possible funding options

City Manager Ladner stated she was asked to add this to the agenda by Councilmember Parisien. She stated this was part of the discussion during the strategic vision session. She stated HRC provided a preliminary plan outlining what manner we could make this happen. She further stated this would be a 3-phase project. She stated she has found a low interest loan program which this would qualify for as well as the USDA rural development loan program through the federal government. She further stated she discussed this with the USDA in Flint and due to the median income in South Lyon, we would not qualify for grant funding through USDA, but we could qualify for a 3 ½% loan. She stated the loans can be up to 40-year loans which spreads it out longer than the bonds which would be 20-30 years. Councilmember Parisien stated she asked for this to be added because this was discussed at the strategic vision session with Council and the department heads and everyone was interested in this. The current location is not ideal, the space is small, congested and both buildings are in bad condition and are very old. She further stated we need to consider the upkeep of the buildings over the years, or if we should invest in a complex that is away from the downtown to allow new businesses to come to town. She stated this is inline with the master plan. She further stated this would be a service to our community and it would provide faster service as opposed to the Fire trucks having to make the turn by the South Lyon Hotel. Councilmember Parisien stated she appreciates Chief Collins and Chief Kennedy for having this plan done. This will enhance South Lyon, but given our financial issues she understands this may not be feasible. Chief Collins stated the buildings are between 25 and 50 years old and constantly need upkeep. He stated they need a new roof on one of the Police buildings. He further stated the other Police building is too small and has been for a long time. He further stated Councilmember Parisien spoke very well of the traffic and congestion issues. That is more important to the Fire Department because the Police cars are usually on the road already. He further stated the Fire Department trucks have issues with response time being extremely important and they have the complication of the turning radius. We would love to be in a joint building with the Fire Department and possibly include some public meeting rooms since the community center project couldn't be accomplished. He stated they would like to be south of Wendy's because that would also add some security for the park as well because of the close proximity of the Police Department. Councilmember Richards stated this answers his major question, wondering whose idea this was. It was the previous Council to look into this, not HRC. He stated we are revisiting this, and he agrees with all of it but it doesn't seem feasible. Councilmember Kurtzweil states she agrees with the vision that there be a joint facility for Police and Fire, but she doesn't know how this can be paid for and it is irresponsible to move forward with this until we see where we stand financially. It is hard to justify brand new buildings for 17 employees plus Fire, and we are potentially looking at pushing 5.1 million dollars pension liabilities out into the community. It has to be paid down. She stated she isn't disagreeing with this, it is needed, but this is not the time. She further stated this is a timing issue, and visions doesn't mean you get what you want today. She stated if you want this it is a 3-5-year plan, she wants to see that in a budget. At this time, her opposition is solely in the cost. Councilmember Parisien

asked if this can be budgeted for, or can we ask the voters to vote on this. She stated she thinks if we allow the voters to speak to this, and if they want it we could put money toward it. She further stated we shouldn't let this go easily. It may not be fiscally responsible at this time, but we need to find another way. What better investment to our downtown to move Police and Fire to a better location for better response times, and to allow new businesses to come into the downtown. She further stated if we are trying to move South Lyon forward we are doing it at a snail's pace. She further stated she believes if we ask the voters they would like it. Councilmember Kurtzweil stated she agrees, she has discussed this with Lynne. She further stated they discussed a dedicated mill and to let the voters decide. It is coming out of their pocket and if they want to pay for a new facility that is ok. She further stated she also believes we can get some operating money for salaries and things like that. She stated Lyon Township does that as well. City Manager Ladner stated they have an operating mill, this would be a capital facility expenditure and an operating mill. Councilmember Parisien stated this would be investing in the Police, Fire and the downtown all at the same time. This is something she thinks the voters would pass. She stated this is a good opportunity. She doesn't want to keep investing in the old buildings, she would rather invest in a new facility. Councilmember Richards stated he agrees with everyone. He further stated if you go through Plymouth Township Hall and look at their facilities for Police and Fire, it is a huge setup. He stated sandstone buildings, marble floors and archways, it is stunning. He would like that for South Lyon, but he doesn't see how to pay for it. He further stated we can do something. He further stated we should get the input of the people. He further stated it needs improvement. Councilmember Richards stated when they built that, it was the greatest thing. He went to the open house, at the time they were working out of a trailer. He further stated it was a wonderful transcendence to a new building. He further stated he doesn't see this happening in a decade. Mayor Pelchat stated everyone has good points and opening up that property would be great. He stated he is glad this was brought up and this is a good way to get the ball rolling, but everyone is also aware of the financial issues we are having, but lets get the word out and see what the voters have to say. City Manager Ladner stated if we are looking at both mills, are we looking at shifting all of the operating costs to a millage, and are Councilmembers aware of how much of our budget goes towards those two services. Councilmember Kurtzweil stated she would present Council with options. She stated she would like to see a series of alternatives. Look at what it would cost of \$150,000 operating costs came from a mill and then the funding of a 10-year mill for the construction. She stated this will be construction costs only, we already have the property. Then look at the mills if you increase the mills for Fire and Police, or just look at Police. She further stated the legacy costs are destroying the budget. Councilmember Kivell stated we have a park master plan and that land is already spoken for, and he thinks Parks and Recreation may have another opinion on this. Councilmember Parisien stated we need to send out information on this as well as have meetings. We need to educate people. Councilmember Kurtzweil stated a ballot initiative is needed for this. Councilmember Parisien stated she wanted to thank Police, Fire and HRC for following through with this, and she is disappointed this is just now being discussed. She further stated even if this fails, at least we can say we looked at it and gave it a good faith effort. Councilmember Kivell stated this is a starting point, and eventually something will have to take place. He further stated the notion to think we can supply some valid information overnight is ridiculous. There will be many discussions needed to accomplish this. Councilmember Parisien asked if this can be discussed again in February.

3. Consider approval of Oakland County IT agreement

City Manager Ladner stated this has been approved in the past, but we are now asking for use of the GIS services as well as authority for contractors, such as HRC and CIB have access to the County's GIS system as well. She stated there is no charge for this, but they do require us to sign this agreement stating we understand the rules of being involved. Attorney Wilhelm stated this basically adds to the current

contract we have. Councilmember Richards stated he didn't understand this agreement and he spoke with Phil Wiepert and he explained that we are already on board with this and if we tried to do some of these things on our own it would cost thousands. He further stated the County does this for many communities and it is a magnificent service and we need to partake of this.

CM 12-7-17 MOTION TO APPROVE THE OAKLAND COUNTY IT SERVICES INTERLOCAL AGREEMENT EXPANDED SERVICES

Motion by Richards, supported by Kivell

Motion to approve the Oakland County IT Services interlocal agreement expanded services

VOTE: MOTION CARRIED UNANIMOUSLY

4. Consider resolution changing the nominating petition deadline to coincide with Michigan Election Law

CM 12-8-17 MOTION TO APPROVE THE RESOLUTION CHANGING THE CITY OF SOUTH LYON NOMINATING PETITION DEADLINE TO COINCIDE WITH MICHIGAN ELECTION LAW

Motion by Kivell, supported by Kurtzweil

Motion to approve the resolution changing the City of South Lyon nominating petition deadline to coincide with Michigan Election Law

VOTE: MOTION CARRIED UNANIMOUSLY

5. Consider cancellation of 2nd meeting in December scheduled for December 25th
City Manager Ladner stated each year it is up to Council to decide if we cancel the second meeting in December, this year the 2nd Monday will fall on December 25th, Christmas Day. She stated it has been Councils past practice that we cancel the 2nd meeting. Councilmember Kivell stated we don't have anything very pressing right now and he also said we could get a meeting going if something comes up.

CM 12-9-17 MOTION TO CANCEL 2ND MEETING IN DECEMBER

Motion by Kivell, supported by Parisien

Motion to cancel 2nd meeting in December

VOTE: MOTION CARRIED UNANIMOUSLY

BUDGET

City Manager Ladner stated she has finished one portion of the spreadsheet and she is passing it along to the bookkeeping department to put in the audited numbers and hoping that will be done in the next week. She further stated she received a budget proposal for the Fire Department from Chief Kennedy. She stated she is hoping to meet with the department heads soon and meet with Council in January. Councilmember Kurtzweil stated she has looked at her notes for the past 2 years and she has a list of her concerns. She stated she would like to see a plan for dealing with the unfunded liability of the City, she doesn't care what it is termed out to, but she wants to see a plan. She stated she wants to see a line item for the buyout liability for Chief Collins. She further stated she wants to know if the current mill will be sufficient for the next cycle of the debt bond, it can be changed and even if we are short, she would like to see it adjusted to cover that sewer debt. She wants to know when the mills will fall off for the parking lot from the DDA, and if we moved those mills to the general fund operating budget how much more revenue we will have. She stated we could use that towards the unfunded pension liability or towards Volunteer Park. She stated she wants to see a good analysis for the water department and the trend for tap in fees. She stated if the trend is going down, that source of revenue is going down, she wants to know

how we will budget to take care of the water and sewer repairs. Councilmember Kurtzweil stated she would like to see an updated resolution apportioning how much of tap fees goes into this fund and how much goes elsewhere. She stated it is probably time to update the enterprise resolution policy and decide how much of the water tap fees go into this fund. She stated we will need an updated utility analysis of the water and sewer rates, and she would also like to know how much additional revenue will be generated if we raise the admin fee from \$6.00 to \$10.00. She also stated she would like to know where we fall with our untreated water charge and if we are in comparison with other communities. She further stated there is new legislation coming out dealing with house bill 529825313 which is the big revisions that are coming with OPEBs. She stated you can google this for the legislative analysis. She stated some of the funding requirements begin in 2018. She stated this deals with post-retirement benefits and she wants to know what our budgeting will be for that. She further stated she wants to know in January if we have complied with the auditors concerns and she wants them all corrected. She further stated she wants to know if the school will be doing with their millage rates. That is why the impact of our mill increase wasn't felt as much is because the school lowered one of theirs. Councilmember Kurtzweil asked how many hours the Fire Chief works. City Manager Ladner stated 30-35 hours per week. Councilmember Kurtzweil stated that is the only department that doesn't have a full-time department head and she would like to see a discussion on gaining a full time Fire Chief. She stated she spoke with Mike Kennedy and he felt this position could be a full-time job. She further stated if we need to give up an employee in another department for this position, she is willing to discuss this. Councilmember Kurtzweil stated she spoke with Plante Moran and they are willing to give a free 2-hour seminar on general governmental finance on a Saturday if anyone else is interested.

MANAGERS REPORT

City Manager Ladner stated she would like to remind everyone that City Hall will be closed on December 25th, December 26th, as well as January 1st and 2nd. She further stated the Chamber of Commerce is holding their Holiday Gathering at the South Lyon Hotel if Council is interested in going it is this Thursday and there is a \$10.00 fee. She stated today was the deadline for application for the water/dpw superintendent position, and she is hoping to do interviews over the next few weeks and have a conditional offer for someone by the end of the year. City Manager Ladner stated DTE will be doing some tree trimming along a single power circuit and they will be reaching out to the residents to inform them. She further stated she will have a map of the area online and on our website. City Manager Ladner then wished everyone a Merry Christmas and Happy Holidays.

Councilmember Parisien asked if she will be incorporating the opinions of the current employees when looking at the applications for the superintendent position. City Manager Ladner stated she originally planned on doing so, but we have received a few applications from current employees which could make it difficult. She then stated she has discussed this with Bob Martin and he has offered to assist her with this. Councilmember Parisien stated she is happy to hear that. Councilmember Parisien asked if the weekly reports will be coming soon. City Manager Ladner stated she has a few ready to go but she was waiting for one from the Fire Department.

COUNCIL COMMENTS

Councilmember Richards stated he appreciates being on Council and his goals for 6 months to a year will be damage control and to save money. He further stated he will have new ideas in the future and he will bring them forward and some of which on the surface will cost some money, such as the item that was discussed tonight with the service center. He has thought about that for years and he has ideas that can save us hundreds of thousands of dollars. He further stated he has other ideas that he will bring forward

later, he wants to ease into things. We can make our improvements come true without just talking about them. Councilmember Richards stated he was a tree man for years, and he knows Normar is the service agent for our DPW and he has talked to the crews, but where are their bills or charges to the City on the ledger, he hasn't seen them. He asked how they are billed to the City because he knows each tree is between \$600 and a \$1,000. City Manager Ladner stated they are paid under the DPW and they will always show on the bill registry unless they are coming under a different name. Councilmember Kivell stated they have been on the registry but we don't pay until they bill us. Councilmember Richards stated he has seen some of the trees come down in the last month. City Manager Ladner stated just because they are in the City working, doesn't mean they are doing the work for the City. Councilmember Richards stated the ones he was focusing on was when they were removing trees in the easements by the Presbyterian Church. There were 2 large trees removed. City Manager Ladner stated the City has not contracted to remove any trees along Lake Street and that is a County Road so that could have been the Road Commission that contracted them. Councilmember Richards stated she could be right, he just hasn't seen the bills on there.

Councilmember Kivell stated he doesn't recall HRC being the one doing the inspection for the water tower. City Manager Ladner stated Dixson was the contractor for the inspection, but they don't do bid specifications. Councilmember Kivell stated he wants to wish everyone a Merry Christmas and happy holidays.

Councilmember Kurtzweil stated she wants to say she has been in A Good Day Café a few times and she knows everyone is excited for it to open. She further stated she had coffee with Gary Fagin and his daughter was there with her staff and they are very excited. It will be a great addition to the City. She stated they have salads, sandwiches along with gluten free food. She stated she wants to welcome Jennifer and A Good Day Café to the City. Councilmember Kurtzweil thanked Biggby Coffee for having Melissa Baker as their guest barista and a portion of the proceeds went to the South Lyon Youth Assistance. She stated the holiday lights in town look great and Hidden Creek is known as the Christmas subdivision and the whole subdivision is lit up and it looks great. She then thanked her neighbors for taking their time to prepare the subdivision for everyone. She also stated the Christmas lights downtown look great. Councilmember Kurtzweil wished everyone a merry Christmas and a happy Hanukkah and a happy new year.

Councilmember Parisien wished everyone a merry Christmas and a happy new year. She then reminded everyone to shop local.

Mayor Pelchat wished everyone a merry Christmas and happy holidays. He then thanked Ron Brock and Ron Beason for the tour of the water plant. He stated you know people are doing a good job if you don't know who they are.

ADJOURNMENT

CM 12-10-17 MOTION TO ADJOURN

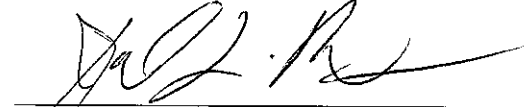
Motion by Parisien, supported by Kurtzweil

Motion to adjourn meeting at 10:07 p.m.


VOTE: MOTION CARRIED UNANIMOUSLY

Respectfully submitted

12-11-17



Mayor Dan Pelchat



Clerk Lisa Deaton