

REGULAR CITY COUNCIL MEETING
MAY 14, 2018

Mayor Pelchat called the meeting to order at 7:30 p.m.
Mayor Pelchat led those present in the Pledge of Allegiance

Present: Mayor Pelchat, Councilmembers: Kivell, Kennedy, Kurtzweil, Parisien, Richards and Walton
Also, present: Chief Collins, Attorney Wilhelm, Department Head Boven, Fire Chief Vogel, and Clerk Deaton

MINUTES

Councilmember Parisien stated on page 2, the word supported should be added under the Motion on Agenda.

CM 5-1-18 MOTION TO APPROVE MINUTES AS AMENDED

Motion by Kivell, supported by Kennedy

VOTE: MOTION CARRIED UNANIMOUSLY

BILLS

CM 5-2-18 MOTION TO APPROVE THE BILLS

Motion by Parisien, supported by Walton

Motion to approve the bills as presented

VOTE: MOTION CARRIED UNANIMOUSLY

CM 5-3-18 MOTION TO APPROVE THE ATTORNEY BILLS

Motion by Kivell, supported by Walton

Motion to approve attorney bills as presented

VOTE: MOTION CARRIED UNANIMOUSLY

AGENDA

Chief Collins stated he would like to add New Business #15 to consider rent adjustment for 464 S Lafayette. Councilmember Kurtzweil stated she would like to add New Business #16 to discuss a counter offer regarding Mike Boven. Councilmember Richards stated he would like to postpone Old Business #3 to a future meeting.

CM 5-4-18 MOTION TO APPROVE AGENDA AS AMENDED

Motion by Kennedy, supported by Walton

Motion to approve the agenda as amended

VOTE: MOTION CARRIED UNANIMOUSLY

PUBLIC COMMENT

Judy Keeling of 62180 Arlington Circle stated the Chief of Police is getting a Lifetime Achievement award from the Chamber of Commerce and she would like to congratulate him.

Presentation- Warren Creamer, R.W. Baird & Company- South Lyon Water and Sewer Revenue Test; Recommendation for rate management and structure

Warren Creamer of R.W. Baird & Company stated he was asked to look at the City's water and sewer rates. He stated both funds are very healthy. He further stated we assume all capital improvements will be paid for with existing rates. Mr. Creamer stated for the size of the system the City has, they recommend available cash should be between 9 and 12 months of operation and the City is well beyond that. He stated the City can go quite some time without raising rates if the City wants to draw down the current fund balances. He then stated he was asked to look at water and sewer rates. He explained they look at the reasonableness of the revenue going forward. The City was very helpful getting the information they needed. He explained when you look at the variable of the summer water usage and the sale of untreated water of MST. He stated the sewer is based on the average of the preceding 3 quarters. Mr. Creamer stated this provides a way to predict future revenue. He stated they went through the budget, the components of the revenue and everything looks good. He stated going forward the billable flow assumptions were very good, and the MST assumption was very good as well. Mr. Creamer stated the sewer by itself is easy to predict. He further stated right now, the cash flow with all the assumptions and the detail he has provided results. He then stated if not using funds on hand, there will need to be an increase in the water rates of 6.92% and 13% for sewer in 2019. Councilmember Kivell asked if this is driven for operation, no capital improvement. Mr. Creamer stated this is based on operational only. Councilmember Kivell stated his concern is the capital improvement, we will be having some big bills from a sewage issue, if there is an area that seems more vulnerable to deal with a replacement situation on an emergency basis is an awful lot more funds than operational. Mr. Creamer stated for the most part, the funds are in good standing, but if you want to put away a few dollars into a repair fund, that is possible. He then stated it is pay now or pay later, and it is always more expensive if you pay later. He then stated he needs some direction from Council. Mr. Creamer stated over the years the City has very strong cash balances and he believes the City should continue doing that and that could be the repair fund. Mr. Creamer stated the City has a lot of flexibility. He stated the commodity charges is where the revenue comes from. He further stated the City has already rebuilt much of the system. Councilmember Richards asked if the fund balance for sewer and processed water is strictly to be used in repairs, as opposed to a storm water repair. Mr. Creamer stated it depends if it was a closed loop system, which means all net revenues stays in the sewer fund, and all net revenue in the water fund. Councilmember Richards stated we are in the 4th quarter fiscally, he asked if we measure the water flow in the first 3 quarters to make projections. Mr. Creamer stated a lot of the water used in summer are for pools and such, and the sewer flow should be based on the average of the first 3 months and remove the summer variable. A good portion of it does not go back into the sewer system. He thinks that is a fair way to bill people, many other communities do that. Mr. Creamer stated the City has a good basis for projecting revenues going forward. Councilmember Kivell stated the summer rate has come up many times, if it is a wet summer, they don't pay more, and if it is dry they don't pay more, except the excess water usage. Councilmember Kurtzweil asked what is funding our repair fund currently? Mr. Creamer stated it wasn't broken out in the budget, but there was a line item for capital outlay. He further stated the City has a healthy fund balance. The fund balance is almost 2 times the expenditures. We would like to see 9-12 months of reserves. Councilmember Kurtzweil stated if you increase the water and sewer rates it will go into the repair fund. It is better to save some here and there. Mr. Creamer stated you have the money for some expenditures and then you wouldn't add the interest to the bond payment. Councilmember Kurtzweil stated we are tied up for the next 10 years, because that mill is being serviced by the bond. She then asked if he would suggest paying off the bond early. Mr. Creamer stated you would not want to pre-pay them because the rate is so low, and the cost to finance the new improvements would be more expensive than you are spending now. He stated if you were currently going to finance a long-term project, you would be paying 4% rather than the 2% for financing.

*There was some discussion if Council needed to enter into closed session and moving it after Council Comments if closed session was necessary.

Discussion- Downtown

Bob Donohue, the Director of Economic Development stated he has a letter he has given to Council that Superb Fabricating is pulling their request for an IFT and IFT District. They are putting the project on hold for the time being. Mr. Donohue stated he is moving forward with an overall event calendar for all events in the City, which will be on the website as well. Councilmember Richards asked if there will be a publication regarding the fees for the over the road banners, he doesn't think the public knows that. Mr. Donohue stated there will be guidelines and an application process, no cost to the City.

OLD BUSINESS

1. Consider renewal of motion to approve the second reading of the 1/22/18 version of the proposed liquor license ordinance

Councilmember Kennedy stated this has been discussed many times. He further stated approval of the second reading provides the best processes for the City's last liquor license. He stated he believes it is reasonable and prudent for the applicant to provide information such as hours of operation, menu, proposed seating capacity, background of applicant and business plan. He stated this isn't governmental meddling, or unfriendly to business. He further stated the city's representatives should be willing to demonstrate their commitment to and the stewardship of the City's assets. Councilmember Kennedy stated this is far too valuable for the City to just provide to any site or to the first person that requests it. He further stated it is our last Class C license and it should be used as a draw for a large establishment that will be a significant benefit to the City and its residents. He further stated basically it is the responsibility of the City to look out for ourselves. He stated as it stands right now, it doesn't affect any of the current businesses. He further stated if we find something isn't working out, we can always change it.

Councilmember Kivell stated he agrees, we can always make an amendment if necessary. This puts us in a good position to protect the City's asset.

Councilmember Parisien stated she has been doing extensive research to similar size of communities, and Milford's license renewal/application system is over 300 pages, as well as Lyon Township. They are very restrictive. Howell has a very restrictive ordinance as well. Based on the other communities having more restrictive Liquor License Ordinance, she is in favor of this.

Councilmember Kurtzweil stated she has also done extensive research to underdeveloped communities such as South Lyon and she found the liquor license ordinance dated January 22, 2018 appears to be far too restrictive. The other communities that have much more text to their ordinances are more developed communities. She believes the ordinance dated May 10, 2018 is more business friendly and adaptable for the development that we want to attract to the City. We could always become stricter if necessary. She further stated she is in favor of a liquor license ordinance, but a more lenient one.

Councilmember Richards stated he is favor of this if they follow the guidelines and we have some controls. He stated his opinion there are things that have not been addressed, such as the transfer of licenses.

CM 5-5-18 MOTION TO APPROVE SECOND READING OF LIQUOR LICENSE ORDINANCE

Motion by Kivell, supported by Kennedy

Motion to approve the second reading of 1/22/18 version of the liquor license ordinance

VOTE: MOTION CARRIED

2. Consider leaf disposal

Department Head Boven stated dumping in Volunteer Park will be too costly and it would be an uphill battle. He stated there is a clause in the contract with GFL that states if they go into December there is an

additional cost of \$28.44 per customer, and there are 2,729 single family units in the City. He further stated the added cost total for GFL to pick up leaves would be \$77,612.76 and that is just to add December. Department Head Boven then stated their contract does state unlimited yard waste pick up, but they said that was with the consideration of the City doing leaf pick up as well. Councilmember Kivell stated at the same cost, the only difference is asking the residents for their sweat equity. He then stated if we stop in November, there will be unexpected consequences such as drains being clogged with leaves, and the unexpected consequences. Councilmember Kennedy thanked Boven for looking into this. He then stated the leaves could be choking the storm sewers, and killing the lawn, and he wants to continue providing this service and he suggests we continue having the DPW handle leaf pick up as we have.

Councilmember Richards asked if there is an area of the City that is more expensive for pick up than other areas. He then asked if we found a place outside of the City and they granted us a lease to allow us to dump them, we could save money. Department Head Boven stated we still have to get licenses through the State and it will be expensive. Councilmember Richards stated we could possibly dump them in Livingston County.

CM 5-6-18 MOTION TO DIRECT DPW TO CONTINUE LEAF PICK UP

Motion by Kennedy, supported by Parisien

Motion to direct DPW to continue the current curbside leaf pick-up program

VOTE: MOTION CARRIED UNANIMOUSLY

- 3. Consider creation of Cemetery Commission- removed, postponed to future meeting

NEW BUSINESS

- 1. Consider approval of downtown road closures for Pumpkinfest

Kathy Swan, the President of the Pumpkinfest Committee stated she is here if anyone has any questions. Councilmember Kurtzweil stated she does an incredible job.

CM 5-7-18 MOTION TO APPROVE ROAD CLOSURES FOR PUMPKINFEST

Motion by Kurtzweil, supported by Walton

Resolved That Lisa Deaton, 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 permits to conduct the Pumpkinfest Downtown Event from September 28, 2018 until September 30, 2018 and the related road closures: Lafayette Street between Liberty Street and Whipple Street; Lake Street between Wells Street and Washington Street; from 12:00 p.m. on September 28, 2018 until 8:00 p.m. on September 30, 2018; 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

- 2. Consider approval of road closures for Pumpkinfest Parade

Ms. Swan stated they are now starting from Centennial Middle School on 9 mile to Pontiac Trail. We are shortening the route to make it better for everyone.

CM 5-8-18 MOTION TO APPROVE ROAD CLOSURES FOR PUMPKINFEST PARADE

Motion by Kurtzweil, supported by Walton

Resolved That Lisa Deaton, 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 the Pumpkinfest Parade on September 29, 2018 at 10:00 a.m. and the related street closure:

Pontiac Trail from 9 Mile Road to Liberty Street 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. Be it further resolved that West Liberty St. from Lafayette St. to Warren St.; Warren St. from West Liberty St. to Bartlett Elementary School shall be closed on Saturday, September 29, 2018 from 10:00 a.m. to 12:00 p.m.

VOTE: MOTION CARRIED UNANIMOUSLY

CM 5-9-18 MOTION THE BLOCK PARTY APPLICATION FOR PUMPKINFEST BE APPROVED WITH BLOCK OFF TIME BEGINNING AT NOON ON SEPTEMBER 28, 2018

Motion by Kurtzweil, supported by Walton

Motion to approve the block party application for Pumpkinfest be approved with block off time beginning at Noon on September 28, 2018

VOTE: MOTION CARRIED UNANIMOUSLY

3. Consider approval of road closures for Memorial Day Parade

CM 5-10-18 MOTION TO APPROVE ROAD CLOSURES FOR MEMORIAL DAY PARADE

Motion by Kurtzweil, supported by Walton

Resolved That Lisa Deaton, 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 conduct the 2018 Memorial Day Parade on May 28, 2018 at 9:00 a.m. and the related road 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

4. Acceptance of resignations from Housing Commission

Mayor Pelchat thanked Randy Clark and Bob Martin for their years of service to the City.

CM 5-11-18 MOTION TO ACCEPT RESIGNATIONS

Motion by Richards, supported by Walton

Motion to accept resignations of Robert Martin and Randy Clark with thanks for their years of service

VOTE: MOTION CARRIED UNANIMOUSLY

5. Consider appointment to Board of Ethics- Suzanne Muscat

Councilmember Kivell stated he enjoyed her application and it was very comprehensive.

Councilmember Parisien stated she will be an asset and thanked her for volunteering.

Councilmember Kivell asked why the ordinance states the Board of Ethics members do not have to abide by the ethics ordinance. Attorney Wilhelm stated he will look into it, the ordinance was not written by his firm.

CM 5-12-18 MOTION TO APPOINT SUZANNE MUSCAT TO THE BOARD OF ETHICS

Motion by Walton, supported by Richards

Motion to appoint Suzanne Muscat to the Board of Ethics

VOTE: MOTION CARRIED UNANIMOUSLY

6. Consider appointment to Board of Ethics- Don Beagle

Councilmember Kennedy stated there could be a possible conflict of interest because his brother and Don Beagle's brother are both Councilmembers in Wixom, and their relationship has been challenging over the years, but he feels he will be objective and it will not affect his vote.

Councilmember Parisien stated Mr. Beagle has been in the community for decades and has always volunteered. Based on the merit of his application and his references, she is happy to have him as a Board of Ethics member.

Councilmember Walton stated she has trouble with Mr. Beagle because of his behavior at a previous meeting with him yelling and it made her very uncomfortable. She would rather him be on another board, not the Board of Ethics.

Councilmember Kurtzweil stated she agrees with Ms. Walton. The rage she saw at that meeting was frightening. She doesn't mind people being angry at the microphone, but he was about an inch away from Chief Collins' face and his anger was out of control. It was threatening and she was scared and no one did anything in the room to control the situation. He was only 3 ½ feet from Chief Collins. She has seen that rage when he was on the school board and she was horrified then as she was last month. She spoke with another police department and he told her anytime someone approaches a police officer with that kind of anger and is not under control, the individual should have been removed. She was afraid he was going to reach for his gun. All she heard was heard someone say, hurry up and get out of here and that is what she did. She further stated she hasn't spoke to him for about 7 years. Councilmember Kurtzweil stated she is angry Chief didn't control the situation.

Chief Collins stated his perspective was different, he was much closer to Mr. Beagle. His comments were directed at him, at no time did he feel threatened and at no time did he feel anyone else was threatened. He never felt the situation was out of control. If Officer Stevens had perceived a threat he would have moved to his assistance. He never felt threatened. Part of their training is when someone approaches us; we turn our side with our weapon away from them. With that said, the comments of the conversation were, Mr. Beagle urged him to do a check to see if he had a concealed pistol license as some people have stated. Chief Collins stated in anticipation of this, he checked and Mr. Beagle does not possess a concealed weapon license in the State of Michigan.

CM 5-13-18 MOTION TO APPOINT DON BEAGLE TO THE BOARD OF ETHICS

Motion by Kivell, supported by Parisien

Motion to appoint Don Beagle to the Board of Ethics

VOTE: MOTION CARRIED

7. Consider purchase of property at 501 McMunn

Councilmember Kivell stated the price suggested was just barely under 10% of its assessed value. He further stated the Zestimate was \$185,600. He stated he would like to wait until the new City Manager starts and allow them to weigh in on this. He further stated he loves the idea of enhancing the abutting properties of McHattie Park, but he would like to wait.

Pat Allen of 11672 Crooked Lane stated he spoke with Parks and Recreation and they liked the idea. He further stated he is promoting to put a snow machine on the sled hill so it can be used more often. He stated he is selling this property whether the City buys it or not. He understands waiting for a City Manager. He further stated he is always getting letters from investors that want to buy his property. Councilmember Kurtzweil stated the City could give you a deposit and ask for the first right to refusal.

She further stated if Mr. Allen receives an offer, the City would have to make a decision. She stated the term could be negotiated, possibly a year. Mr. Allen stated that is a possibility, he will have to have his attorney look into it. Councilmember Kurtzweil stated the only thing is that he will have to disclose the agreement to a potential buyer. Mayor Pelchat stated he thinks the City should look into this, and he has no problem waiting for the new City Manager to begin. Councilmember Kurtzweil stated we don't have to have a City Manager to enter into an agreement for first right of refusal. Councilmember Richards stated the City has missed the opportunity to buy other properties near the park. He would hate for the City to lose this opportunity. He further stated if someone else buys it, it could be rezoned and end up being industrial. He further stated it will be a disaster if the City doesn't buy it. He agrees that the right of first refusal, but he is ok with giving him a 10% deposit. Councilmember Kennedy stated there seems to be interest to purchase this property, and there are things that need to be investigated and it will behoove us to have our Interim City Manager to begin the process of the right of first refusal. Councilmember Kurtzweil stated the City Attorney should handle this, it is a very sophisticated document.

CM 5-14-18 MOTION TO DIRECT THE INTERIM CITY MANAGER TO BEGIN NEGOTIATIONS WITH PROPERTY OWNER OF 501 MCMUNN

Motion by Kennedy, supported by Parisien

Motion to direct Interim City Manager to begin negotiations with the property owner to purchase the property and coordinate the investigation with Parks and Recreation and to begin the discussion to identify what it would take to purchase it

VOTE: MOTION CARRIED UNANIMOUSLY

8. Consider recognition of Baseball Boosters as a non-profit organization for charitable gaming license

CM 5-15-18 MOTION TO RECOGNIZE THE BASEBALL BOOSTERS AS A NON-PROFIT ORGANIZATION

Motion by Kurtzweil, supported by Walton

Motion to recognize the Baseball Boosters as a non-profit organization for a charitable gaming license

VOTE: MOTION CARRIED UNANIMOUSLY

9. Consider Youth Assistance Agreement

CM 5-16-18 MOTION TO AUTHORIZE THE INTERIM CITY MANAGER TO EXECUTE THE PROPOSED AGREEMENT WITH THE SOUTH LYON AREA YOUTH ASSISTANCE PROGRAM

Motion by Richards, supported by Walton

Motion to authorize the Interim City Manager to execute the proposed agreement with the South Lyon Area Youth Assistance program for fiscal year 2018-2019 in the amount of \$13,000.00

VOTE: MOTION CARRIED UNANIMOUSLY

10. Consider approval of Hagadorn Street Sewer Cleaning and televising

Councilmember Parisien asked if this was something the employees at the Water Department could do without using HRC. Department Head Boven stated they cannot do this and we aren't hiring HRC. We are hiring Pipetek as we have done in the past. Part of Pipetek's job is to televise as they clean the pipes, and they look at all the pipes and connections to make sure there are no problems. He stated before we fix Hagadorn, we want to make sure the sewer doesn't have to be replaced. Mayor Pelchat asked if this was done before we repaved Pontiac Trail. Chief Collins stated he believes that was the County Drain

Commissions responsibility. Department Head Boven stated things like this will always pop up. Chief Collins stated this is to award the contract to the low bidder. Councilmember Richards stated the Mill Street leg you are going to look at, do you have the flexibility to have them look elsewhere if it is good at Mill Street. Department Head Boven stated they only have to do what is in the contract. Councilmember Kivell asked if there is an anticipated cost if it needs to be replaced. Department Head Boven stated no, that would come from HRC. Councilmember Kivell stated the emergency replacement was done at the forced main, and HRC was not involved with that and it is working fine. Every time we use HRC our costs increase by 25%. He then asked if he is considering using capable contractors to run storm drain that will work right. Department Head Boven stated you have to have engineering work done, it is mandatory unless it is emergency work.

CM 5-17-18 MOTION TO AWARD CONTRACT TO PIPETEK INFRASTRUCTURE SERVICES LLC

Motion by Walton, supported by Richards

Motion to approve the awarding of contract to Pipetek Infrastructure Services LLC in performing the cleaning and televising of sewer line on Hagadorn Street and the storm sewer on Mill Street for the amount of \$10,736.00

VOTE: MOTION CARRIED UNANIMOUSLY

11. Consider approval of Pilot Local Road Improvement Program Agreement

Phil Wiepert, County Commissioner stated the County was always part of a tri-party where the County pitched in a third of the money for road projects, but we found the cities weren't benefited as much because much of the roads were county roads and that didn't allow cities to invest in their own city streets. He further stated they created this program and it is allowed under state law for economic development and as long as the projects will entice economic development the County can use County funds for local roads. Mr. Wiepert stated the County has \$1,500,000.00 and the funds will be divided it up between all cities and villages. Department Head Boven stated we are getting money allocated to the City to help with the Hagadorn project. The amount is \$25,349.00 He further stated we currently have money in the budget for this project. We have \$400,000 in the road budget and \$150,000 professional services. He further stated you have to have the matching funds, and a project already in process.

CM 5-18-18 MOTION TO AUTHORIZE MAYOR AND CLERK TO EXECUTE LOCAL ROAD IMPROVEMENT MATCHING PILOT PROGRAM

Motion by Walton, supported by Richards

Motion to authorize the Mayor and City Clerk to execute the Local Road Improvement Matching Fund Pilot Program cost participation agreement

VOTE: MOTION CARRIED UNANIMOUSLY

12. Consider first reading of liquor license ordinance- N/A

13. Consider fund balance policy

Councilmember Kurtzweil stated this was brought up at the budget meeting. She stated this is a good system to have. She further stated all the points Brian discussed at the budget meeting are in this document. If Council isn't interested, we don't have to do this. Councilmember Parisien stated she is not comfortable with this document. She would like to have an ordinance written. She stated she is for this, but she is not comfortable with the language in this policy. However, the way this is drafted, it is very restrictive. In the second whereas, we are talking about mitigating risks, but what are we talking about, the risks need to be expounded upon. She further stated another issue is in the same provision, it limits

our purpose, that should be expounded upon as well. Other communities have definitions spelled out. She further stated an ordinance is more fluid and expressive. Councilmember Parisien stated there is a lot of commentary in here, it needs to be matter of fact. We need to remove all the commentary. It needs to be much clearer. This is very confusing, the structure, the language isn't right, and there are many grammatical errors.

Councilmember Kurtzweil stated she drafted this and she did a lot of research. Many communities do not have this as an ordinance. When you make it an ordinance it is too firm and as a policy, they are meant and designed to change according to changes in the budget. She stated it would be inappropriate to draft as an ordinance. She stated the language came from other community's policies. You don't want to be too defining as to what the risk is. It is a policy you are trying to follow, but yet you need a little wiggle room in the policy drafting. She stated for example the commentary is only there to provide an example, remember it says draft on the document and anytime you see that it means there may be changes made, it isn't adopted. Councilmember Kurtzweil stated many times when you draft policies, it is easy for people to understand when you have examples. The examples and the commentary come out of the policy when it is adopted. The numbers she has added are just to be discussed, they aren't firm. She further stated one of the best provisions is paragraph #4 which states you should not be dipping into general fund for recurring operating expenditures. She further stated it is very clear what should not be happening with the general fund. The policy explains what you can and cannot use the funds for. She further stated this is a good instructive policy. It is meant to be a discussion item. Brian of Plante Moran didn't have any issues with it.

Councilmember Kivell stated he doesn't have any issues with having a general fund policy but he would like to wait for the new City Manager to have their opinion involved.

Councilmember Parisien stated we need to expound on #7, it stated the general fund balance should be analyzed each fiscal year after the financial statement audit, who is analyzing it. She stated this should flow and the definitions should be included.

Councilmember Kurtzweil stated it is very clear. It is a tool for internal management and budgeting. This is a document we can give to the City Manager and discuss this in the fall.

Mayor Pelchat stated he agrees we need to keep our eyes on this.

14. Consider retainer agreement for Attorney services

Councilmember Kennedy stated we have a number of issues we are dealing with right now, such as a new City Manager, and a new Department Head for Water and DPW. He further stated there is something to be said about a little consistency. He asked if Johnson Rosati would consider a one-year extension and then come back and revisit this. Attorney Wilhelm stated he will discuss this with his firm.

Councilmember Parisien stated Johnson Rosati has been through the ringer with South Lyon, but she has nothing but the utmost respect for Attorney Wilhelm and his firm. She would rather sign another 3-year contract. Councilmember Kurtzweil stated Attorney Wilhelm has done a great job, she is fine with a 3-year contract as well. Councilmember Kivell stated he would like to know what the escalation in cost will be. Attorney Wilhelm stated he believes the retainer agreement is \$112.00 and of course they would like to get closer to the \$150.00 mark but he understands everything that is happening in the City.

Councilmember Kivell stated when we took Johnson Rosati as a law firm, it was our understanding there were enough people at your firm that have a vast amount of knowledge that can help, it seems all the research is being done by Attorney Wilhelm. Attorney Wilhelm stated he would like to discuss this outside of a public meeting and he will take it constructively. Councilmember Kivell stated he heard if we put attorney services out to bid that Johnson Rosati may not participate in the bid. He stated he would like to understand the firm will do whatever it takes to get what we need as your firm is doing for other communities as well. Attorney Wilhelm stated he would like to continue representing the City and in the past several years, there have been bumps along the way which caused the partners to question if it was worth it. Attorney Wilhelm stated the bills are on the website, they are public information, he expects

someone will undercut us and he doesn't think they have the ability to lower their fees. Councilmember Kivell stated just because someone undercuts, doesn't mean that is the only thing they take into consideration. Councilmember Kurtzweil stated some of the issues that have happened are because of the City, we are in transition. She is hoping the new City Manager will have more of a legal sense and will be able to sit and figure things out with the attorney. She stated he has done a great job because he isn't the City Manager, yet you are trying to help out the best you can. She further stated a lot of the issues will go away with our new City Manager. Attorney Wilhelm stated he enjoys working with the City and he thinks the momentum is building and at a turning point. He stated there has been some inconsistencies in the past. Councilmember Kivell stated a new City Manager will be the solution to this. Attorney Wilhelm stated Chief Collins has been a pleasure to work with, he is very detail oriented and he follows through. Councilmember Parisien stated she appreciates Tim and his firm and the legal community is small and the last few years have been very rough for Johnson Rosati. She stated the City has not treated them well and she wouldn't be surprised if they didn't want to participate in the bid. Attorney Wilhelm stated he has an idea what he is looking for and he will present something to the City. Councilmember Richards stated he would like to stay with Johnson Rosati for at least another year. He further stated a lot of firms probably wouldn't want to deal with the City with all the problems we have had. Councilmember Kurtzweil stated it would be great to have another 3-year contract, Attorney Wilhelm has become an asset. She further stated you only become a good lawyer not by doing the status quo, but by doing the challenging and taking on difficult projects. She further stated Tim is a far better lawyer today than when he first came here. She further stated it has been a joy.

CM 5-19-18 MOTION TO REQUEST UPDATED ATTORNEY AGREEMENT

Motion by Kennedy, supported by Walton

Motion to request updated attorney agreement with Johnson Rosati for a period of 3 years for Council's consideration

VOTE: MOTION CARRIED UNANIMOUSLY

15. Consider approval of rent adjustment

Councilmember Kennedy stated he asked this to be added to the agenda, we have made repairs to the property and have not raised the rent since 2008. He stated we should look at comparable in the City to consider raising the rent. Councilmember Kurtzweil stated the lease actually is a memorandum of understanding and it needs to be put in a proper lease form and you may have to have the truth in renting disclosure statement.

CM 5-20-18 MOTION TO DIRECT THE CITY MANAGER TO INVESTIGATE RENTAL COSTS

Motion by Kennedy, supported by Kurtzweil

Motion to direct the Interim City Manager to investigate rental costs for comparable rental properties and come forward with a recommendation

VOTE: MOTION CARRIED UNANIMOUSLY

16. Consider counter offer for Mike Boven

Councilmember Kurtzweil stated she has had few disappointments, but Friday was a tough day. Department Head Boven has brought a lot of hope to people in this City and it was clear that you were very qualified and people really liked you and there was hope that things were going to change in the City. She further stated he has brought a sense of pride and he is very well liked. She further stated she wants to say for the short time he has been here, he has been a blessing. She is not ready to let him go. She doesn't know him well, but she thought of this as a new beginning. Councilmember Kurtzweil further stated he brought new ideas, breaking from the old, and coming in with the experience and new

ways of doing things. She further stated she would like him to have a discussion with Steve Kennedy regarding a counter offer. She further stated if you want the City to move forward, you will have to pay professional people for professional talent. She stated other cities are moving forward because they are making commitments to some of their salaries. She further stated you need to understand your pool of applicants. If you were looking for a new Chief of Police, the pool of applicants will be huge. She further stated there is a pool of City Managers and that is large too. The pool for someone that has the credentials that Mr. Boven has will be very small. No one can believe that someone that manages both utilities in South Lyon and with his credentials works in the City of South Lyon. She further stated she is devastated and she is angry. Department Head Boven stated this was not an easy decision. He grew up in a small town and just hanging out in the local businesses and it reminds him of being on the farm. This town has a lot of potential. It was his dream to come back to a small town. The decision was made as a family. Councilmember Kurtzweil stated she is shocked no one discussed this with him on Friday. She has spoken with taxpayers in the City who understand that someone with his credentials is worth the money.

Councilmember Richards stated he agrees with Councilmember Kurtzweil. Councilmember Richards asked Attorney Wilhelm if by Charter, can be involved with hiring employees. Attorney Wilhelm stated we have to take into consideration there is a budget component in the business at hand, as well as dealing with an Interim City Manager. He doesn't think it crosses over due to those circumstances. Chief Collins stated his understanding is he can hire within budget.

Councilmember Parisien stated he is doing a great job, but she would never think to hold him back, and she wishes him luck and congratulations to his wife as well. She further stated she isn't in favor of a counter offer because there are other administrative staff that is severely underpaid. She further stated we can't compete with the private sector. She further stated she isn't in favor of this, but she wishes him luck.

Councilmember Kivell stated if some of the data suggested in the email, he has no interest in trying to come up with a comparable counter offer. We can't compete with that kind of outside financial interest. Your capabilities are exactly what we need, but we just can't compete with that outside financial influence.

Department Head Boven stated you have to remember, this job used to have two department heads doing this position and if you don't get the qualifications that I have, you will have to have two department heads again.

Councilmember Kivell stated we did have someone at a much more affordable rate, but he was railroaded out due to the behavior of this Council. We have a City Manager coming on board too, and the idea the superintendent of DPW and Water and Sewer making more money than the City Manager would be difficult situation.

Councilmember Kurtzweil stated the prior individuals didn't have your credentials, and that the sad part about it is that someone with Boven's credentials may not be here. It is clear someone with his credentials is making a difference in water and sewer and DPW. She stated other individuals had their opportunity and failed. We are talking about professionalism and moving a department into the 21st century. No one says we have to match the offer. There are times when the private sector isn't competitive to government jobs. It depends on the job, demand and the credentials needed for the job. You have to know this is talent that only comes around once in a while. If you are willing to take a little less than \$40,000 there will be money in the enterprise funds so we wouldn't have a tough budget issue. You are a stabilizing factor. It will be a shame if you go.

Councilmember Kivell stated there is no doubt Mr. Boven is a huge asset for us, having you on board was a delight, but this is meant to be a compliment. Your credentials far exceed what we have to have. We have to fulfill our state legal obligations, anything above that is a huge benefit, but that kicks up the cost. If there was some middle ground, he would be in favor of it.

Councilmember Walton stated she doesn't see any problem with having the conversation.

CM 5-21-18 MOTION TO DISCUSS COUNTER OFFER WITH DEPARTMENT HEAD BOVEN

Motion by Walton, supported by Kurtzweil

Motion to discuss a counter offer with Mr. Boven

VOTE: MOTION CARRIED- 1 OPPOSED

BUDGET- N/A

MANAGER'S REPORT

Chief Collins thanked Pastor Rod Rhode and the volunteers from Oak Pointe Church for their hard work and making the spring clean up on Saturday a success. He then thanked the volunteers from our community, the DPW and other staff members to make it work and brave the rain, thunder and lightning. Chief Collins stated the President of Maple Creek HOA addressed Council requesting a 60/40 split for repairs to a boardwalk at 9 Mile at the wetlands. He stated he worked with City staff and determined that boardwalk is part of their common area. According to the final site plan, the bridge is included in the common area and maintenance and repair is their responsibility. He stated he asked if it would be appropriate to spend City money on that project, and Attorney Wilhelm stated you cannot spend public funds for a private purpose is illegal under Michigan law.

Chief Collins asked if Council wants the request we have on the agenda for the 27th of May.

Councilmember Parisien stated she received some feedback over the weekend for the city-wide yard sales because it was so rainy. She asked if we could have another weekend. Mayor Pelchat stated he agrees.

Chief Collins asked how far out we should schedule it. Councilmember Parisien stated she believes we should reschedule for a weekend in June. There are so many people that look forward to this event. Chief Collins stated he will work with the City Attorney and we will pick another date.

Councilmember Kurtzweil stated she is a huge yard sale person, and she received calls all weekend as well. She agrees that June would be a good time. Councilmember Walton stated she would like to keep it consistent, it seems it has changed in the previous years. Further discussion was held regarding the City-wide yard sales.

Councilmember Richards questioned the weekly report of Council being polled to decide the location of trees. Chief Collins stated that was about the placement of the Arbor Day tree. There was a concern from a Councilmember regarding two years in a row, the tree was planted at the property of the same place. He believes the interest was to spread the wealth around, but St. Josephs Church is the only place that asked to have the tree planted on their property. Councilmember Kivell stated he is the one that questioned that, but the idea was we have many easements and park lands that we could have planted in a public place. It is a City tree and it should be planted on City property. Councilmember Walton asked if there are requirements by the Arbor Day Foundation. Chief Collins stated the only thing he is aware of is we have to spend a certain dollar amount. Department Head Boven stated there are many other trees that are planted each year, probably around 9 or 10. Councilmember Parisien stated she doesn't have an issue with planting the tree at St. Joseph's, but maybe if other people are aware of it, they could request for their property to be considered.

Councilmember Richards asked Fire Chief Vogel when we interview for a new Fire Inspector, is the candidate outside of the South Lyon Police Department and are we interviewing people from out of town. Fire Chief Vogel stated we are. Councilmember Richards stated he thinks it would be dangerous to have a Fire Inspector from the Police Department. Fire Chief Vogel stated the previous Fire Inspector was from Brighton, not from the Police Department. He has been trying to fill the position since he has been here.

COUNCIL COMMENTS

Councilmember Kivell thanked everyone that participated in the spring clean-up. Everyone was hustling and he was working at one of the City signs, and they had a great system. He has to commend Rod and Phil for standing under the tent and cooking all the burgers and hot dogs.

Councilmember Kivell asked if there has been any progress with the training and demolition of the small house in the park. Fire Chief Vogel stated he has contacted 3 different companies to get bids to for the asbestos investigation. We are also waiting to have a DTE disconnect for demolition, as well as water and sewer lines. He stated he has set a goal to do the training in August.

Councilmember Kurtzweil stated she attended the Cultural Arts Commission event and it was a very successful gallery opening. She stated there were probably 300 people in attendance. She further stated it was great seeing all the parents there with the kids. She thanked everyone on the Cultural Arts Commission. She then thanked all the students of South Lyon High School and South Lyon East for their artwork.

Councilmember Parisien stated Heather Bruegl is heading a fundraiser at the Biggby Coffee in South Lyon and all the funds go to Multiple Sclerosis and it is a bake sale. This is near and dear to her heart, so she promised to mention it and do some baking. It is Saturday the 19th of May. She then asked everyone to come by and buy some baked goods.

She stated the Art Show gets bigger and better every year. The Cultural Arts Commission do a great job and the word is spreading. The talent in South Lyon is vast and we are very lucky to have such talented kids.

Councilmember Parisien then thanked the individuals that volunteered their time to be on our boards and commissions. We still have vacancies if anyone is interested please spread the word.

Councilmember Walton thanked everyone for the City clean up, it looks great. She stated she came early tonight to see all the artwork because she couldn't attend the grand opening. She then thanked Ryan Lare for collecting letters, cards and well wishes for our mailman Dave. She appreciates it.

Councilmember Kennedy stated he would like to share a note that was issued by Donna Olson, who is the Director of the Salem South Lyon District Library. She issued this note a couple of weeks ago where she recognized the efforts of some volunteers. In her note she stated that, "Greg Jacks, Luke Ervin and Andrew Hughes spent most of yesterday dismantling rows of shelving at Madonna University, loading it up, trucking it back to the library and then unloading. A big thanks for their time and muscle, saving our library over \$13,000 for product alone. Thanks also go out to Kathy Merucci, Sarah Swiderski and Kathy Hutchinson for helping unload the truck once they returned." This is just a great example of volunteers in the area lending a hand to save our library some money and to continue to improve it for our residents and everyone else who uses it.

Councilmember Kennedy stated there is now a survey on our website we have asked residents to complete that reflects what people expect in the next City manager. The deadline is May 18th and he thanked everyone for participating.

Councilmember Richards stated he attended a meeting regarding the search for the new City Manager. He further stated he suggested he contact Rod Cook for his input as well. he stated Normar is a tree service and they cut down several trees in town that needed to be taken down. They do excellent service and they did it with a 2-man crew. They were senior citizens as well, and they did a great job.

Mayor Pelchat asked Attorney Wilhelm how Matt is coming along with the paperwork regarding the council comments. Attorney Wilhelm stated it should be on the next agenda.

Mayor Pelchat stated we will not meet again until after Memorial Day, and he wanted to mention Dayna Johnston who has ran the Memorial Day parade for the last 40 years. He thanked her for her hard work and asked everyone to thank her as well.

Mayor Pelchat thanked everyone that participated in the city-wide clean up.

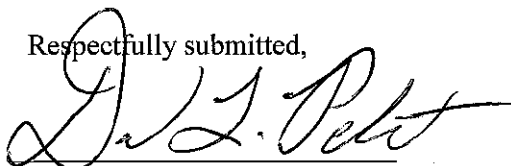
Mayor Pelchat stated he couldn't attend the Cultural Arts event but the artwork looks great.

ADJOURNMENT

CM 5-22-18 MOTION TO ADJOURN

Motion by Walton, supported by Kurtzweil
Motion to adjourn at 10:55 p.m.

Respectfully submitted,



Mayor Dan Pelchat



Clerk/Treasurer Lisa Deaton