

City of South Lyon  
Regular Council Meeting  
May 11, 2020

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 Dilg, Kennedy, Kivell, Kurtzweil, Richards and Walton  
Also present: City Manager Zelenak, Chief Sovik, Chief Vogel, Superintendent Varney, Attorney Hamameh and Clerk/Treasurer Deaton

MINUTES

Councilmember Kivell stated on page 2 the word if needs to be inserted in the sentence 3 lines up from the bottom of the page. Councilmember Kivell stated on page 4, in the middle of the DTE discussion, the sentence should say who approved the design of this. He then stated on page 6, the sentence should end with that volunteer spirit has been strong here.

CM 5-1-20 MOTION TO APPROVE MINUTES

Motion by Kennedy, supported by Kivell  
Motion to approve the minutes as amended

VOTE: MOTION CARRIED UNANIMOUSLY

BILLS

Councilmember Richards stated in the last two months, there have been payments made to HRC for \$70,000 and he thought there was a limit on what they could bill monthly.

CM 5-2-20 MOTION TO APPROVE THE BILLS

Motion by Kivell, supported by Dilg  
Motion to approve the bills as presented

VOTE: MOTION CARRIED UNANIMOUSLY

AGENDA

CM 5-3-20 MOTION TO APPROVE THE AGENDA

Motion by Kennedy, supported by Kivell  
Motion to approve the agenda as presented

VOTE: MOTION CARRIED UNANIMOUSLY

PUBLIC COMMENT- None

DISCUSSION- Downtown

Carol Brandon stated she has been working on the Oakland County Stabilization Grant and round one has been completed, we are now working on round two. We will be getting \$133,835 and it is in processing so she cannot comment on who is getting what. She further stated we are working on a crowdfunding campaign which is a matching donation program through the Main Street of Oakland County for businesses impacted by Covid-19. She further stated it runs through May 23, it is on our website and Facebook page and other people have shared it as well. As of right now we have approximately \$1,500. Ms. Brandon stated the DDA will be meeting this week and we are going to put together an application

for the businesses to apply for the crowdfunding money. She stated along with Mayor Pelchat and Councilmember Dilg and Councilmember Kennedy, we are working on the Lyon Business Group Covid-19 Recovery Team and working with Lyon Township and the Kensington Valley Chamber of Commerce. She stated they are working on a business survey and Lisa Dilg posted that on Facebook. She stated we will be alternating days where we send out the links to different platforms. Councilmember Dilg thanked Carol for assisting with this in the absence of a DDA Director. Mayor Pelchat stated Carol was going to be brought on full time in July and if she is going to be doing additional DDA duties, she should be brought on full time before that.

#### FIRE CHIEF REPORT

Chief Vogel stated we got the ladder truck back in service on Saturday evening and we were able to use it at the Fire at Pro Pizza on Saturday. He stated the cost was under \$3,000 and it works great. It was a busy weekend. He stated calls were up. He stated they worked with the County and were able to get Pro Pizza opened today. He stated we received bad news. The grant he was writing for the corona virus and they changed the rules. He stated he is very disappointed. He stated at the beginning they said any extra hours of staff would be considered for the FEMA grant, buy now they are saying something else. He reached out to the Governor's office and FEMA and they are going to reconsider. He stated he is hoping we get reimbursed. He stated the Covid calls have been steady. Chief Vogel stated the majority of our employees were tested today. Chief Sovik headed this up and Novi had a testing site today. He further stated the results will be given in approximately 36 hours. He stated he has been working to ensure when we open back up, we will have enough PPE equipment for the employees. Councilmember Kivell thanked him for all they have been doing. He is happy the rig was back that quick. Councilmember Kurtzweil stated she was glad the testing has been done for some of our first responders. She then asked for clarification on the State Fire Marshall being in town. Chief Vogel stated it is a long story, but it started with a complaint about one of our business owners in town and the business owner felt he was treated badly and they thought it was one of our employees. He stated he found out it was a State employee and he filed a complaint with the Governor's office and he was assured that this would be handled. He further stated the State employees are supposed to be educating the safe order of the safe distancing. He further stated there was another complaint by another business owner as well as one from Lyon Township. Councilmember Kurtzweil asked why the State Fire Marshall was working in South Lyon anyway. Chief Vogel stated he wasn't called in, he saw an issue that he misunderstood and tried to address it, but the tone was the problem. He stated the impression he lives here and saw something he thought was unsafe social distancing. The business owner had no idea that even happened.

Councilmember Kurtzweil asked why did he overstep our police department Chief Vogel stated the State has assured him he and Chief

Sovik is in charge of our city and they are here to support us. Councilmember Kurtzweil stated our Fire Chief and Police Chief have done a great job. She stated she is shocked this happened and it is worse than she thought it was. Chief Vogel stated he was assured this will not happen again. Councilmember Richards stated citizens ask him who is the official tabulation keeper of confirmed cases of the infection. Chief Vogel stated he tracks his calls, but Oakland County Public Health track all the cases. There is a website that you can enter the zip code to get the totals, but when you punch in 48178, that includes the entire zip code, not just the City of South Lyon. Mayor Pelchat stated it is Oakgov.com then there is a link for zip code. Councilmember Dilg asked if he is having trouble getting masks. Chief Vogel stated he has plenty of masks, he is just afraid we may not be able to keep up with the demand once the City employees are making contact with the public again.

#### POLICE CHIEF REPORT

Chief Sovik stated that unfortunately the Memorial Day Celebration has been cancelled. He stated is in the best interest of our veterans and everyone. He stated they are looking for something to do at a later time. He stated the May 27<sup>th</sup> Lake Street Cruise-in has been cancelled. He stated all 16 officers have been tested today in Novi and they should have results in 36 hours. Chief Sovik stated recently there were two individuals caught on camera breaking into cars and he posted the video and asked for help in identifying the two people. Chief Sovik said Sunday morning about 3:00 a.m. they received a call about two people checking car doors in the Oak Creek subdivision. He further stated Officer Jacobs was one of the first Officer on the scene and gave chase for about 200 yards before he caught one of the individuals. They were both identified, both local residents, a 15-year-old and 18-year-old. He stated they later found out they were responsible for other incidents and they have both been charged. Chief Sovik stated he received a message on Facebook regarding the social distancing. He stated the message was asking where South Lyon stands on the matter of the local businesses being closed. Chief Sovik responded with the explanation that he gives the Officers the discretion of each situation and we enforce laws and uphold the constitution. He stated when dealing with executive orders, we do the same. He stated when it comes to enforcing the order, we are about compliance and we explain the order and what the violation of that order is. He stated we have entered into uncharted waters and people are hurting mentally and financially. He further stated we have an opportunity to deal with people on a human level and not to be heavy handed. Chief Sovik stated we have not issued any citations for violators, but if we are forced to issue any citations, we will. He stated we want to work with our community and at this time we think that is the best approach. Councilmember Walton stated she worked with the chair for the Memorial Day Parade and she then read a statement. To all the branches of service, we thank you for all your bravery and sacrifice and the example you set for all of us. We truly appreciate you and so it is with a heavy heart that the members of the VFW, American Legion and the City of South Lyon have decided to delay the Memorial Day Parade and the service at the South Lyon Cemetery. She stated we are asking the residents to do some of the following things, decorate your windows, front doors and observe a moment of silence on Memorial Day. She stated they are working on a video to be played on the cable channel to recognize all the veterans we have lost. She stated discuss the history of Memorial Day as you are doing the home schooling.

PRESENTATION OF WATER/SEWER RATE ANALYSIS BY PLANTE MORAN- see PowerPoint presentation attached.

City Manager Zelenak stated we have Brian Camiller from Plante Moran to discuss the water and sewer rate analysis that was provided to Councilmembers a few weeks ago. Mr. Camiller stated this is the second model Plante Moran has done for the City. He stated the last one was probably 10 years ago. The idea is the same, although we are recommending a change. He stated the models are excel files. The calculation is algebra. As long as you have the components of the cost, you can find the rate to charge to gain enough cash to pay the employees, replace infrastructure and the everyday running of the plants. He stated this is a 10-year model. Mr. Camiller stated we need to ensure we are charging a fair rate, providing enough cash for recommendations from engineers and we want to make sure we can pay for bills and improvements and we maintain enough cash. He stated we can spread the cost of the significant improvements over a period of time which will help keep the rates down. He stated this model is on a cash needs basis. He further stated we are changing the methodology that you bill. He stated there is a current component we need to get away from which is the minimum usage fee. He stated we can get to that same point but we are introducing a readiness to serve charge. Before you turn on your faucet, there are costs that are incurred. Mr. Camiller stated there are four buckets, the water purchase/sewer treatment, capital outlay, debt service and internal operations. He stated the effort regardless of the usage

is the same. We will pay a portion of that cost with the elimination of the minimum usage rate. He further stated you can't raise water rates to pay for anything other than the cost of water and sewage treatment. He stated the user fee must be for the cost of usage, not a minimum fee. He further stated we take the total cost pool and minus the flat fee which equals costs to be recovered through variable rates. He stated the cost to be recovered is divided by the units sold which equals the variable charge to the customers. He stated if you have big dollar capital costs, the rate will spike. The next year may drop, which could drop a lot of chaos. He stated we need to spread the increase over time. Which will need to be looked at each year. He stated we want to make the rate steady, not go up and down. We want an annual increase, at the same time of year. He stated every other year our bills go up. People will accept a 3 or 4 or 5% raise if they understand the reason. Mr. Camiller stated we need to have enough money in the bank to pay our bills. The city is a quarterly billing cycle. 120 days of working capital to fund payments. The city also has to have money for debt service payments. He stated the city also has to have the emergency capital replacement fund when something breaks and the way you calculate that is to have 5% of the netbook value of capital assets. He further stated the City has to have money for the capital replacement plan. Further discussion was held regarding the rate increase.

#### NEW BUSINESS

##### 1. Award of bid to install Storm Sewer at DPW Complex

City Manager Zelenak stated as part of our efforts to improve the working conditions and to preserve the longevity of the equipment at DPW, we have gone out for bid for storm sewer improvements at the DPW yard. Included is Phase 1 to put a detention basin and storm sewers in at the yard to better facilitate the drainage and protect the equipment. Also included in Phase 2 for the concrete paving which may be awarded at a later date through a change order. Councilmember Kivell stated we have had conversations about having some optic problems if we can't fix a road, but we can pave the DPW parking lot. He further stated if we prolong the paving portion, and we have them do the underground work, then we are sitting and waiting to see if we want to pave. He stated he doesn't know by having a change order would change instead of having it rebid. Mr. Darga of HRC stated if we just have a rebid on the concrete next summer, the difference would be the cost of doing the rebid and the cost of the job could go up. He further stated in talking with the City Manager, they think a change order would be changing it to new gravel and some concrete as opposed to the entire parking lot. Councilmember Kennedy stated he discussed this with the City Manager. He further stated if we rebid this the following year, we aren't going to have Stante come back and put the mobilization charge in there for the second phase. Mr. Darga stated they bid it based on having their equipment out there once, if we spread it out to two years, it could be a difference of \$5,000 to \$8,000. Councilmember Kennedy stated if they do the drainage work, then roll right into the paving, even if we do a smaller portion of the paving for next year, he doesn't expect the City to pay the mobilization fee again the following year. Mr. Darga stated they would be entitled to a portion of it if spread out to another year. City Manager Zelenak stated if we bid these out separate, they could have mobilization fees more than once. He further stated they give us the best option as getting the storm work done, then we look at the economy and decide if we move forward with the paving or not.

#### CM 5-4-20 MOTION TO APPROVE AWARD OF BID

Motion by Kennedy, supported by Walton

Motion to approve the award of the bid to Stante Excavating out of Wixom, to complete Phase I of the bid at an amount not to exceed \$176,985.10 from the Capital Improvement Fund, account number 101-451-802-500

ROL CALL VOTE:

Dilg- Yes  
 Kennedy- Yes  
 Kivell- Yes  
 Kurtzweil- Yes  
 Richards- Yes  
 Walton- Yes  
 Pelchat- Yes

MOTION CARRIED UNANIMOSLY

2. Purchase and installation of a new Borger PL200 Series Primary Sludge pump for sludge transfer process to include two additional pumps to be installed at a later date.

City Manager Zelenak stated the wastewater treatment plant needs to replace a primary sludge transfer pump. This is a scheduled purchase for this year's budget. The wastewater plant is looking at options to change from a piston pump for this year's budget to a rotary lobe design. The change will make it much easier to maintain the pump and allow for better performance and efficiency. This expenditure can be purchased out of the Capital Improvement account 592-557-970. Superintendent Varney stated this is a 3 for 1 scenario. We are getting 3 pumps for the price of one, and the other 2 will be kept until needed in the future. Councilmember Kennedy stated he has discussed this with Doug and there are some benefits for using this vendor. He further stated they want to work with us to do additional sales down the road, so they are offering 3 for the price of 1. They are including a set of replacement internals; the specialized tools and they have the ability to stage the receipt of those pumps which extends the warranty. Superintendent Varney stated he is very familiar with the pumps and this type of technology. Councilmember Kurtzweil asked what is the disadvantage of using a piston pump versus a rotary pump. Superintendent Varney stated the flow rate is not an issue, it is the design of the pump that is the big difference. He further stated when the pumps we have now run, they are very loud and they are going to self-destruct at one point because of the way they run. He further stated the rotary will have a much longer lifetime of use.

CM 5-5-20 MOTION TO APPROVE PURCHASE OF BORGER PL200

Motion by Kennedy, supported by Kivell

Motion to approve the purchase of (3) Borger PL200 Sludge Transfer Pumps with a spare set of replacement lobes, including installation for one pump for wastewater treatment plant for \$31,980.00 under line item 592-557-970

ROLL CALL VOTE:

Richards- Yes  
 Walton- Yes  
 Kurtzweil- Yes  
 Dilg- Yes  
 Kennedy- Yes  
 Kivell- Yes  
 Pelchat- Yes

MOTION CARRIED UNANIMOUSLY

- 3. Purchase of a new recirculation pump for the Actiflow process at the WWTP that serves as a high rate clarifier for tertiary treatment

Superintendent Varney stated this is for a failed recirculation pump. He stated this item is proprietary so the bid process would not benefit the city.

CM 5-6-20 MOTION TO WAIVE BID PROCESS

Motion by Kivell, supported by Walton

Motion to waive Sec 2-224 of the City of South Lyon Code of Ordnances, “approval for purchases or contracts over \$2,000: competitive bidding over \$5,000 because no advantage to the city will result.

ROLL CALL VOTE:

- Kurtzweil- Yes
- Dilg- Yes
- Kivell- Yes
- Kennedy- Yes
- Walton- Yes
- Richards- Yes
- Pelchat- Yes

MOTION CARRIED UNANIMOULSY

CM 5-7-20 MOTION TO APPROVE PURCHASE

Motion by Kivell, supported by Walton

Motion to purchase of a new recirculation pump for the Actiflow System at the wastewater treatment plant for \$11,019.87 under line item 592-557-970

ROLL CALL VOTE:

- Kivell- Yes
- Kurtzweil- Yes
- Kennedy- Yes
- Richards- Yes

Richards- Yes

- Walton- Yes
- Dilg- Yes
- Pelchat- Yes

MOTION CARRIED UNANIMOUSLY

PROPOSED BUDGET 2020-2021

City Manager Zelenak stated the changes were made since the budget workshop. He stated there were several changes made, such as changes in Act 51 revenue, updated the water and sewer revenue based on the water and sewer rate analysis and additional amount put aside for the 2 shredding events we had at the library. We added \$4,500 for the testing we had to have to sell the 2 buildings on City properties. He then stated there was an additional \$15,000 added for grading and seeding at the South Lyon Cemetery. He further stated they are expecting more information later this week about any direction on where we think the revenue sharing numbers will be. Councilmember Kurtzweil stated her first concern is the intergovernmental revenues. The State is projecting a 4-billion-dollar deficit. They have already started laying people off, as well as some other cities have done the same. She then stated the prior budget didn't have interest income, but this budget does. Finance and Benefit Administrator Tiernan stated that was an omission from the first budget, she was still working on what the rates will be, she stated this is for multiple accounts so she will have to pull those numbers and get that to her. Councilmember Kurtzweil asked how the line item for fringe benefits dropped down \$18,000. Finance and Benefit Administrator

Tiernan stated that was a formula error that she and Chief Sovik found. She stated there were longevity payments included in that line item that should have been placed under wages and salaries. Councilmember Kurtzweil then asked about the Major Street fund and in the beginning of the year it shows revenues of 3 million. Finance Benefit Administrator Tiernan stated she will correct that because that included what was projected at the time. Councilmember Kurtzweil stated when you minus the expenditures, that is how you get your final balance. She then stated the stated shared weight and gas tax shows an increase. Finance Benefit Administrator Tiernan stated they dropped that number based on what the state is telling communities. Councilmember Kurtzweil asked about the local street fund, and the revenue page shows the total revenue is 355. Finance Benefit Administrator Tiernan stated that included the fund balance and we will remove that. Councilmember Kurtzweil asked about the \$93,000 for the safe routes to school program. She asked if we have in writing that the Schools and Lyon Township are on board with this. City Manager Zelenak stated he does not. This is based on previous conversations he had with them. Councilmember Kurtzweil stated she doesn't think they will have money in their budget for this. City Manager Zelenak stated he had discussions with them and we have to start somewhere. City Manager Zelenak stated we won't spend the money if Lyon Township and the school doesn't want to participate. Further discussion was held regarding the Safe Routes to School program and possible budget cuts for the schools and Lyon Township. Councilmember Kennedy stated he has discussed the budget with the City Manager and the money will not be spent as soon as July 1 hits. Councilmember Kurtzweil stated no one has explained to her that we are going to keep employees employed, she doesn't know his plan and she hopes someone is thinking about this. City Manager Zelenak stated we won't be spending dollars without further scrutiny. We will bring back information based on the revenue sharing estimates we will be getting. He stated the numbers for Act 51 was based on receipts the State already has. He further stated there are so many unknowns right now. He further stated in the end everything will come before City Council for any purchases.

BUDGET- None

#### MANAGER'S REPORT

City Manager Zelenak stated we are preparing for when the State releases the Stay at Home Order and how we plan on opening up our City offices. We will have safety measures in place. We are already assessing the ordering of posting safety measures and signage and etc. City Manager Zelenak stated we are moving forward with the removal of asbestos for the two buildings we will have demolished. City Manager Zelenak stated we discussed the Charter revisions and we need to look at how we want to go about that. City Manager Zelenak stated the State extended the ability for Council to hold virtual meetings until June 30<sup>th</sup>. Councilmember Richards asked if the City is going to allow the City-wide garage sale weekend. City Manager Zelenak stated we are looking at each event as we move forward, we don't want to announce dates, then have to cancel them. Councilmember Richards asked if there is a target date for the gardens in the Cemetery. City Manager Zelenak stated we are currently looking into that, we are trying to avoid large gatherings, and we have had some cold weather recently, it is ever changing. Councilmember Kurtzweil asked if the City Manager has had time to look at the Capital Improvement Plan. City Manager Zelenak stated he has said from day 1 that the City needs a Capital Improvement Plan. Councilmember Kurtzweil stated because there is a statute it needs to become a priority as opposed to someone working on it in their spare time because we are not in compliance plan. City Manager Zelenak stated he has been working on components of this along with Carol. It is difficult because we have our normal workload on top of working on this, Covid, and we are starting from square one.

PUBLIC COMMENT

Amber King of 791 Westbrook stated she appreciates Chief Sovik and the work the Police Department did catching the people that were breaking into cars. Ms. King stated there was discussion about the people that would be benefiting is the single, couples or the people in Colonial Acres with the 18% decrease in the first year. That seems like a lot and she asked if possible, they can look at 15% or something a little lower. Ms. King then thanked Council and the employees at City Hall for doing all they do; she knows this is a difficult time. She offered her help with the business survey if needed.

COUNCIL COMMENTS

Councilmember Walton stated she wanted to remind everyone that tomorrow the 127 wing National Guard will be flying over 8 Michigan cities to honor our front-line health care workers. She also reminded everyone the Blue Angels will also be doing flyovers. She then stated Active Faith distributes food every Monday, Wednesday and Thursday from 11:00 to 4:30 if anyone is in need. Councilmember Walton stated the marine plaque has been added to the Veterans Memorial in McHattie Park and she thanked to the family that donated it. Councilmember Richards stated if there is any legal way to have questions on the August ballot for our citizens if they would like to vote on several issues in the November Election. He thinks there are 5 or 6 issues that needs to be voted on. Councilmember Richards stated he has been in contact with one of the top officers of the Health and Community Services and she is willing to come to South Lyon to give a presentation of the services they have and to answer any questions for our seniors. Councilmember Richards stated the Rose Excavating Company is back to work this week. He then stated Alexanders Restaurant is moving forward with their projects. He then stated he hopes people will keep some of the stimulus money and use it to benefit other people in other ways. Councilmember Richards stated he is happy the legal bills have dropped in the last few months.

Councilmember Kennedy stated he wants to remind everyone of the importance of social distancing and of wearing a mask where required to inhibit the spread of the virus. He then stated our 9-county area in the southeast corner of the state currently accounts for about 77% of the recorded cases of COVID-19 and 89% of the recorded deaths. He then stated as you know, the rate of infection has slowed and we are flattening the curve according to the medical experts. That does not mean the virus has gone away. It merely means the incidence of infection is within a range that doesn't outstrip the capacity of the hospitals and medical centers to deal with it. Councilmember Kennedy stated we still have a way to go in dealing with it. Just another reminder to complete your 2020 Census. We are currently at a response rate of 78.3%. In the 2010 Census we had an overall response rate of 86%. We still have a large number of residents to be counted. Under the current situation, we can't rely on canvassers from the Census Bureau to visit the houses of those who don't reply to get their information. As such, it is essential that everyone take responsibility for being counted in the census and complete your census questionnaire. Visit the website: [my2020census.gov](http://my2020census.gov) or call 844.468.2020 to do your part.

Councilmember Kurtzweil stated she has been working with businesses all over the state, some in the Midwest and also with some farmers about some aid that is coming from Washington. She has had the opportunity to speak with many businesses and this includes businesses in our state and our City. It is clear every day that our economy isn't open is another day another business will close its door for good. That is happening and will continue to happen. We need to understand families are suffering, the loss of income and that loss frankly leads to a loss of food, health care, and opportunity for a decent life. We



need to get back to work. Councilmember Kurtzweil stated we need to get people back into their jobs. On top of Covid-19 there is something called despair deaths which is when people die from alcohol addiction and suicide. We need to walk that fine line and unfortunately learn to deal with it. We need to wear our masks, social distancing, wash our hands and be smart about who we are around. She then stated the most important thing she wants to say is she has been working with businesses with respect to their protocol on how they will reopen. She is asking people in the community to respect the businesses, and business owners and the protocols they are going to be doing for their health and yours. She stated if you can't control yourself, stay home.

Councilmember Dilg stated she agrees with Councilmember Kurtzweil's comments about how businesses are going to open up is very important and for everyone to support your local businesses. She further stated they are really being creative about keeping their funds flowing. She stated one of the things is the crowd funding. She stated you can find that on the DDA Facebook page. She stated even if you can give \$10.00 would be great, all that money will be matched. She stated different groups go to the businesses for sponsors, and donations and such, and now they need us. Councilmember Dilg stated she hopes everyone had a great Mother's Day and she has seen many different celebrations and she appreciates how everyone is trying to social distance, but still see each other. She then stated she loves the idea Councilmember Walton mentioned about door decorating contests for Memorial Day, kids doing drawing on sidewalks with sidewalk chalks, thing like that would be great.

Councilmember Kivell stated the support downtown South Lyon is a cool thing. The website is [www.patronicity.com](http://www.patronicity.com) He stated there have already been 33 people donated and there are 13 days left. He further stated the other aspect is there are many businesses not in the downtown and he would like to see some way we can try to help them as well.

Mayor Pelchat stated the VFW and the American Legion, Cable Commission and local communities are working on something for Memorial Day. He stated if anyone knows a veteran that has passed in the last year, please contact Dayna Johnston or Phillips Funeral Home so they can be honored. The deadline is this Friday. Mayor Pelchat stated he has been getting calls from small businesses looking for PPE for their customers and employees. He stated the County is working on that currently. Mayor Pelchat stated you can't thank the first responders and essential workers enough. He then thanked everyone.

ADJOURNMENT

CM 5-8-20 MOTION TO ADJOURN

Motion by Kurtzweil, supported by Kennedy

Motion to adjourn at 10:29 p.m.

VOTE: MOTION CARRIED UNANIMOUSLY

Respectfully submitted,

  
Mayor Dan Pelchat

  
City Clerk/Treasurer Lisa Deaton