

# **Regular City Council Meeting**

## **Agenda**

**May 23, 2022**

**7:30 p.m.      Call to Order**  
**Pledge of Allegiance**  
**Roll Call**  
**Approval of City Council Minutes: May 9, 2022**  
**Approval of Bills: None**  
**Approval of Agenda**  
**Consent Agenda**  
**1. DDA Board Member Resignation**  
**2. Carl & Joanne's Christmas in July Fundraiser 2022**  
**3. Carl & Joanne's Christmas Corner Fundraiser 2022**  
**4. Carl & Joanne's South Lyon Eve Fundraiser 2022**

**Proclamation – National Gun Violence Awareness Day**

**Public Comment**

**Discussion – Downtown**

**Fire Chief Report**  
**Police Chief Report**

**Public Hearing: Millage Rates**

- I. Unfinished Business**
  - 1. Water and Sewer Tap Fee Resolution**
  - 2. 2022-2023 Budget Approval**
- II. New Business**
  - 1. GASB 75 / Actuarial Services Agreement**
  - 2. WOW Cable Franchise Agreement**
- III. Budget**
- IV. Public Comment**
- V. Manager's Report**
- VI. Council Comments**
- VII. Adjournment**

**\*Please see reverse side for rules of conduct for public comment at City Council meetings\***

## **Rules of Conduct for Public Comment at Council Meetings\***

Members of the public may speak at a Council meeting upon recognition by the Mayor. Public comment may only occur during periods designated on the agenda for public comment or a public hearing. A person may speak for up to two (2) minutes during each of the two public comment periods on agenda items or non-agenda items. Waivers of the time requirement may only be granted in the discretion of the Mayor, and waivers to speak at a time other than a designated comment period may only be granted by the Council. Any person wishing to make a presentation longer than two minutes or requiring audio-visual equipment is asked to contact the City Clerk requesting to appear on a future agenda.

A person may only address Council from the podium. Only one person may occupy the podium at a time. All remarks are to be directed to the Mayor and Council. Speakers are not to engage in direct dialog with other meeting attendees.

Any person who violates the Rules of Conduct, disturbs the peace at the meeting, and/or interferes with the meeting may be warned, ordered to be seated, removed, and/or ticketed.

\*This summarizes Council Resolution 04-18. Complete Rules, including guidelines for considering waivers, are available in the Council Chambers and from the City Clerk.

Regular City Council Meeting  
May 9, 2022

Mayor Pelchat called the meeting to order at 7:30 p.m.

Mayor Pelchat led those present in the Pledge of Allegiance

Roll Call: Councilmembers: Dilg, Kurtzweil, Kivell, Kennedy, Mosier, Hansen

Also present: City Manager Zelenak, Lieutenant Conrad, Chief Sovik, Finance and Benefit Administrator Tieman, DDA Director Mack, Clerk/Treasurer Deaton and Superintendent Varney

MINUTES- 4/25/2022

Councilmember Hansen added that he asked about the leveling at the tennis courts during the discussion of adding the pickle ball courts.

Councilmember Kivell added the following language to the minutes, there was literal gravel along the curbs through downtown. We need to be better at looking forward and getting things prepped so when we have an event, we present ourselves in the best light. When we know we're going to have foot traffic downtown, we need to dress the place up and it only comes by getting mud and garbage out of the curb pan and this is 101 stuff and he hopes we end up improving that.

CM 5-1-22 MOTION TO APPROVE MINUTES AS AMENDED

Motion by Kennedy, supported by Mosier

Motion to approve the minutes as amended

VOTE: MOTION CARRIED UNANIMOUSLY

BILLS

CM 5-2-22 MOTION TO APPROVE BILLS

Motion by Kennedy, supported by Mosier

Motion to approve bills as presented

VOTE: MOTION CARRIED UNANIMOUSLY

AGENDA

CM 5-3-22 MOTION TO APPROVE AGENDA

Motion by Kivell, supported by Kennedy

Motion to approve the agenda

VOTE: MOTION CARRIED UNANIMOUSLY

CONSENT AGENDA

1. W Liberty Street Closure during Farmers Market

CM 5-4-22 MOTION TO APPROVE THE CONSENT AGENDA

Motion by Kurtzweil, supported by Dilg

Motion to approve the consent agenda

VOTE: MOTION CARRIED UNANIMOUSLY

PUBLIC COMMENT- No comments were made

DISCUSSION- Downtown

DDA Director Mack stated Friday Night Ladies Night Out was successful and there were a lot of people downtown and we will keep trying to improve the event. He then stated the Farmers Market started on Saturday and both parking lots were full, and two food trucks which were sold out by 1:00. He spoke with one of the vendors and they said they sold more in the morning than they have in a month. The

5-9-22

Market Manager Diana has done a fantastic job of working to fill both parking lots. He then thanked Council for approving the road closure of Liberty Street because that will make it safer for the residents attending the market. Mr. Mack then stated he and the City Manager attended the Main Street Oakland County Main Event at which we were recognized to partner level in the program. He stated he will be at the National Main Street Conference next week. Councilmember Kennedy congratulated him on getting the city moved up to the partner level because that will give increased support to the main street program for the city from Oakland County and them covering some of the costs. Councilmember Kivell asked if he has spoken with the owner off 110 Detroit. Mr. Mack stated that has been going through the courts, so he hasn't spoken with them. Councilmember Kivell hopes we can get some kind of relationship with them. Councilmember Kurtzweil thanked DPW for setting up and assisting all of the downtown events. It is important to know, we have gentleman with young families and someone gave up their Friday night with their family to ensure all the road closures were set up at 4:00 pm and taken down at 10:00 pm. She further stated she made that comment to an individual, their response was they are sure they are getting paid overtime. She then stated that isn't the issue. We have a very family-oriented community and our employees are very committed individuals and people need to recognize the sacrifice they are making by taking away their family time to ensure all the barricades are put up and down, then to put them up the next day for the Farmers Market. She then thanked them for their commitment to the events. Councilmember Kurtzweil stated the Farmers Market need more sponsors. Mr. Mack stated the Farmers Market has grown to 31 seasonal vendors, and we need more sponsors. He stated the sign reflecting the sponsors in the downtown is in a very visible spot, and people see that all day. It is great visibility for any business that would like to sponsor. He further stated the sponsor application is on our website, or you can come to city hall. He stated we have space for 16 additional names on the sponsor board. He stated the sponsor money is used to support the Farmers Market throughout the year as well as advertisement.

#### FIRE CHIEF REPORT

Lieutenant Conrad stated since the beginning of the year, the Fire Department has had 362 incidents, 40 total since last Council meeting. 13 EMS and 2 false alarms. They had training on rapid intervention which simulates the rescue of a downed firefighter. She stated they also had a technical rescue training at the water treatment plant and the familiarization of power tools. She stated the fire burn building is complete and they will be doing some training there soon. She then stated the Fire Inspector has been very busy with site plans, building plans, event reviews and flush tests. She then stated they haven't had any recent requests for smoke alarms, and they have started hydrant testing and that will run through the summer.

#### POLICE CHIEF REPORT

Chief Sovik stated we participated with the DEA take back last weekend and we collected 15 boxes of unused and unwanted prescription, 179 pounds worth, and we took it to the DEA for incineration. Also the sharps box has been very active collecting unused and unwanted needles, two full bins. He then stated our administrative assistant has taken a job elsewhere, so we are currently taking applications and everyone is pitching in to help. He then explained the mock assessment for accreditation occurred last week and it was about a 6-hour process, and they go over certain things and suggest changes, and we appeared to do really well. He stated it normally takes agencies over a year, but we should be ready by the end of the year. He further stated we seeking more applications for the 2 cadets but we haven't received any application as of now. Chief Sovik stated there will be a meeting for the first responder monument tomorrow morning, and as of now, we have \$7,200 in the fund. The speed radar signs have been placed out, and we will be swapping them out between subdivisions throughout the summer. He further stated our cadet recruit Ashley passed her physical and psychological today and she will be

starting the academy in July. Councilmember Kurtzweil mentioned at one time, the Cultural Arts Commission assisted the Fire Department with making a recruitment poster, and she doesn't know how well that worked out, but she thinks the Cultural Arts Commission may be interested in doing the same for the Police Department. She then stated, it is expected the SRO agreement will be on a future agenda. Chief Sovik stated they have been in dialogue with them regarding a contract we think is fair. We presented them with an agreement and as well as other things we don't charge them for. He stated they will be meeting the school superintendent soon. Councilmember Kurtzweil asked if they were concerned about the price. Chief Sovik stated he doesn't know if it is the cost, but they are looking for more like a partnership. Some jurisdictions are only charging the schools 50%. Some cover 100%. We are going back and forth at this time. Councilmember Kurtzweil stated the critical analysis was done here at the city, not by the schools. Everyone had input, and we have been working on this since December. We presented them a number to cover our costs, and it was agreed upon by Council. Chief Sovik stated he thinks this will be approved before the new budget year. Councilmember Kurtzweil stated the city has a 6.2-million-dollar budget, and the school have a budget of 160-180 million dollars. She then stated our union officers bargained hard for their salaries. It is offensive that they would ask them to take a cut in pay. She then stated they are getting a school resource officer in two schools, where is the partnership, 2 schools for the price of 1. She then stated teachers and parents are upset about this. She stated this is risk management on their part. Councilmember Kennedy stated the other part when you talk about splitting the cost, 75% to 25%, you have to remember that is an operating expense to the schools, the same as food service, janitorial service, maintenance on their facilities, etc. He stated the residents already pay their school taxes, and if we pay again, that would mean the residents in the city are paying twice. Councilmember Kivell stated he trusts the Chief for using his skills to work on this.

CM 5-5-22 MOTION FOR A FIVE-MINUTE RECESS

Motion by Kurtzweil, supported by Kennedy

Motion to approve a five-minute recess AT 8:00 P.M.

VOTE: MOTION CARRIED UNANIMOUSLY

CM 5-6-22 MOTION TO RECONVENE THE MEETING AT 8:05 P.M.

Motion by Kurtzweil, supported by Kennedy

Motion to reconvene the council meeting at 8:05 p.m.

VOTE: MOTION CARRIED UNANIMOUSLY

**PRESENTATION:** South Lyon Historical Society **\*Please see full powerpoint presentation attached\*** Bob Polasky of the South Lyon Historical Society gave a power point presentation in regards to adding a historical barn to the Historic Village. He then explained they have had a long-term goal of adding a barn and a small house to the Historic Village. They have located a barn on the Ropers property and the family have volunteered to donate the barn in return for us removing the barn from their farm property. He explained they are still waiting for additional quotes regarding relocating the barn to the village. The one quote is for \$140,000 to \$160,000 which excludes permits, concrete slab, electrical components, and installation of utilities, water and waste disposal. He then stated it would cost an estimated \$120,000 to have a new similar structure built. Mr. Polasky further discussed the fundraising they are hoping to do, including potential grants, sponsorships from local businesses, a 2022 membership drive and a monthly booth at the Farmers Market. Councilmember Kivell stated it appears the location is different than the last map Council was given in 2021. Mr. Polasky stated they are waiting for the new map. Councilmember Kivell stated he understands why something of this nature is something they are interested in, its like a step through time, and it shows where we came from and it does register with people, but one of his concerns is how much damage there is to the wall, the water problems, and he

wonders how much of the actual building will be used in the refiguration and how much will need to be new milled material, and if you have a substantial more of new material, would it make more sense to build a recreation rather than trying to save a very broken down plan. He stated there is also a lot of money involved. Mr. Polasky stated the estimate would be about \$20,000 less to build a new structure that would be similar. He further stated he and his grandfather have looked at the structure and without actually starting to take things apart, they think everything from the gutter line up can be saved, but the four walls are questionable. He stated they didn't talk about the condition of the stalls. Right now, the barn has a full second floor, but they are only asking for a half a second floor. Further discussion was held regarding costs that aren't accounted for, he would like to end up having a barn, rather than only using this barn. Councilmember Kennedy asked if the barn is going to be developed into a revenue stream so we can rent it out for weddings, photographs in the gazebo, or small gatherings in the barn. Mr. Polasky stated their intention is to have historical displays on the main floor from the city and the surrounding area. He further stated we already have some material and machinery like that, and use it for storage and the second floor would also be storage. He further stated their intent isn't in having events in the barn. Councilmember Kennedy what is different with this barn than going to Greenfield Village or Mayberry Farms. Mr. Polasky stated the difference would be everything will be from South Lyon. Councilmember Kennedy further stated the Historical Society is challenged trying to get people to come to the museum, and you're advertising and everything and there are interesting things in the museum, but people aren't breaking down the door to see that. That is part of the challenge. It would be better to have a dual purpose. If this is approved, he assumes this wouldn't begin until all of the money has been raised. He stated he doesn't see the city is going to fund this, and of that \$160,000 how much will the Historical Society be able to fundraise. Victoria Classman stated she is the vice president of the society. She stated it is a lot of money, and the society does have some funds, and they have been working with someone from Oakland County that suggested they go after the larger amounts needed through personal donations, and we already have people that will be talking with some the more affluent in our community in hopes to get some money. She stated there are a lot of grants they can apply for. She further stated because it is going to be part of the city, there are municipal grants we can apply for. She stated we want to be at \$120,000 by next summer, then do more fundraising. Councilmember Kennedy stated part of his concern is the Historical Society that we need to replace the HVAC in the museum, the school house, and that would be another \$180,000 which makes it hard to consider another building in the historical village. Ms. Classman stated we are hoping to get a contribution from the city, but we are understanding of the city's budget. Councilmember Kennedy stated he hopes the fundraising will work out for them, but he still wonders how strong the interest will be. Ms. Classman stated we have a lot of interest in the Historic Village, but we are trying to raise more interest and we are looking to make a barn quilt, and it would add us as a travel destination. Mr. Polasky stated our demographics are mostly seniors. We have acquired some younger members and we think the future of the historic village is bright and by bringing the new members on board is great. Councilmember Hansen asked what is the age of the roof. Mr. Polasky stated they don't have a time frame of the roof. Councilmember Hansen asked what do you think is the certain percentage of salvageable parts of the barn and if there has been any discussion regarding moving the barn, versus buying a new one. Mr. Polasky stated they don't know for sure about the roof, but they haven't discussed buying a new one. Councilmember Dilg stated some of her clients used social media to gain interest in fundraising and she is willing to help to look into getting people excited about what is going on, especially as we are coming up on the anniversary of South Lyon. She stated she will discuss some fundraising ideas with the Historical Society at another time. Mr. Polasky stated he thinks it will help having a booth at the Farmers Market each month. He further stated that the Michigan Barn Preservation network has a display of banners explaining why barn preservation is so important. We will have that display at least one weekend at the Farmers Market. It is 10 feet wide by 12 feet tall. It also explains what kind of community involvement can help with preservation. Councilmember Kurtzweil

stated the proposed cost is \$140,000 to \$160,000, she asked when they received that estimate. Mr. Polasky stated it was earlier this year. He stated they are aware of the rising costs, which is why there is a range. He stated they plan on raising more funds than that. He stated their goal is to raise \$200,000. Councilmember Kurtzweil asked how long the contractor will hold that estimate. Mr. Polasky stated a year. Councilmember Kurtzweil stated when you give the contractor the down payment, you won't give him a down payment until you have all the funds raised. Mr. Polasky stated they may not have all of it, but the majority of it. Councilmember Kurtzweil stated it is a risk to give a down payment if you don't have all the funds raised. Further discussion was held regarding fundraising. Councilmember Kivell suggested if the project comes to fruition, they should put a camera there so people can watch the project as it happens.

## UNFINISHED BUSINESS

### 1. Unsolicited written materials

City Manager Zelenak explained that this was discussed at a previous meeting, and they have prepared a draft Ordinance based upon discussions he has had with Council as well as the City Attorney. Councilmember Dilg stated the resolution reflects that they can leave the materials on the lawn, drive way, etc. Her understanding is that was what the problem was to begin with. City Manager Zelenak stated this reflects it has to be on their property, not on city property between sidewalk and street. Councilmember Dilg stated she doesn't think it is worth dealing with this resolution. She was under the impression that we were going to require someone to put their contact information for people to opt out. Councilmember Kivell stated he thinks the language is too squishy, someone can kick it on the sidewalk and say they didn't do it. Councilmember Kennedy stated when it was discussed we talked about the materials being put on a porch, not a lawn or driveway. He further stated someone needs to make an effort to put it in a particular spot, such as a porch, or they need to supply a receptacle. He then stated we should look at changing this. Councilmember Hansen asked if we remove item number three, or is that being too non-surgical. Attorney Hamameh stated item 3 was added after the last meeting, we understood Council wanted it on the property, but if Council wants to remove it, they can. Councilmember Kurtzweil stated she has reviewed the ordinance, and her opinion hasn't changed. She has a different impression. Her point of view is that this is regulating the conduct of someone that wants to distribute information on private property. She stated she doesn't like government intervention and this is. Government has been telling us a lot lately, and now you are saying someone has to put literature on a porch, or mail slot. Government is telling you where you have to put the literature on private property. She then stated she spoke with individuals in the community, they have not had this problem. She doesn't know where this problem is. Maybe this was an isolated issue. She further stated the ordinance creates an assumption that the material was replaced by the homeowner. She sees this as a first amendment issue. She stated this is censorship, not a litter ordinance. She then stated there is an exemption that says that it doesn't apply to the USPS, but it does apply to religious, political material or other ideas. Councilmember Dilg stated she appreciates Councilmember Kurtzweil's opinion, but she doesn't appreciate words being put in her mouth, as for what her ideology is or isn't. She further stated she strongly supports the First Amendment and she agrees with a lot of her points. She stated her point is that there are a lot of people that have a problem with this, but she doesn't think this addresses it. She stated just like political material, there should be contact information to give people relief to be able to say please don't send me this material anymore. She further stated she doesn't want people to feel Council doesn't care about the First Amendment. Further discussion was held regarding unsolicited materials. Councilmember Kennedy stated in the original conversation 6 months ago, there were pictures showing the materials in the storm drains, in the streets, in the driveways and basically it is littering in South Lyon. He further stated this ordinance doesn't restrict Freedom of Speech; it stops people from littering. He then stated the materials being delivered need to have information so that people can contact them to tell them not to deliver it to

them anymore, we should be able to add that. If people aren't comfortable that it specifies that we want it on the porch or receptacle, we can add that. We don't want it in the streets, in the storm drains, in the street sweeper, and we don't want the appearance. He stated we can make those changes then discuss it again at another meeting. City Manager Zelenak stated we can make revisions. He further stated City Hall has not received any complaints about this, it was brought up by a Councilmember who provided pictures of the unsolicited materials that were in the right of way, in the storm sewer driveways. Council then had a discussion regarding delivering in the roads, and he did remind everyone of federal court cases where jurisdictions were sued and we have to be very careful with this due to freedom of speech. He then stated we also have to consider, this isn't just newspaper delivery, it could be information from the VFW, or Girl Scouts, Boy Scouts, Moms to Moms Sale. If one of these documents are found on the grass, our Ordinance Officer has to chase them down for a violation. He stated he doesn't think we want to spend city staff time on this. He stated he spoke with city staff and we haven't received any complaints. The particular material that was delivered, does have the name of the newspaper so people can contact them and ask them not to deliver to them anymore. Attorney Hamameh stated she has heard people discussing requiring people to place contact information on the materials, and that would not stand up to constitutional scrutiny. That is concerning. She strongly discourages adding anything like that to the resolution. She further stated one of their communities were in litigation, and this was a collaborative effort from a lot of attorneys in our office to come up with a way to not cross the line, and this is as safe as we could come up with.

#### CM 5-7-22 MOTION TO APPROVE UNSOLICITED MATERIAL ORDINANCE

Motion by Kennedy

Motion to approve the unsolicited written material ordinance in the interest of this discouraging littering in the City of South Lyon

\*Motion failed for lack of support\*

#### NEW BUSINESS

1. Resolution authorizing the request for reimbursement from Oakland County for West Nile Virus Fund

Superintendent Varney stated Oakland County received and approved our West Nile Virus Project Plan for the year. We provide insect repellent for residents and apply mosquito larvicide to the city catch basins. Council will need to adopt the resolution to authorize the reimbursement request which needs to be before June 10, 2022.

#### CM 5-8-22 MOTION TO APPROVE WEST NILE VIRUS RESOLUTION

Motion by Kennedy, supported by Kivell

Motion to approve the resolution for reimbursement from Oakland County West Nile Virus Fund in the amount of \$1,517.36

ROLL CALL VOTE:

Kurtzweil- Yes

Dilg- Yes

Mosier- Yes

Hansen- Yes

Kivell- Yes

Kennedy- Yes

Pelchat- Yes

MOTION CARRIED UNANIMOUSLY

2. Purchase of voting equipment for Precinct #5

Clerk Deaton stated that Election Law requires not more than 2,999 voters in one precinct. Due to Precinct #1 having too many registered voters, the Election Commission and City Council approved the split of precinct #1 and adding Precinct #5 located at 640 S Lafayette, First United Methodist Church. Because of the additional Precinct being added, we would like to order the equipment as soon as possible to ensure we have the equipment in plenty of time for testing for the August Election. Unfortunately, this will require the approval of a budget amendment which will occur at a later date.

#### CM 5-9-22 MOTION TO APPROVE ELECTION EQUIPMENT

Motion by Kennedy, supported by Kurtzweil

Motion to approve the purchase of voting equipment for Precinct #5 from Hart Intercivic for the amount of \$10,090 from account number 101-222-818

ROLL CALL VOTE:

Dilg- Yes

Kurtzweil- Yes

Mosier- Yes

Kivell- Yes

Kennedy- Yes

Hansen- Yes

Pelchat- Yes

MOTION CARRIED UNANIMOUSLY

#### BUDGET

Finance and Benefit Administrator Tiernan updated Council regarding the charter accounts. The financial statements reflect the only and new account codes. The explanations will remain the same.

Councilmember Kivell asked what is the justification for this. Ms. Tiernan stated this is mainly for cohesiveness for a more refined account system. For example, there was more leeway for what you can consider, instead of numerous printing line items, now there will be one. It is more consistent for anyone that would like to look up the financial statements.

#### PUBLIC COMMENT

Judy Keeling of 62180 Arlington Circle stated the Planning Commission will be reviewing the building plans to take Washington Manor down, and put up a 3-story building with 53 units. It is going to be a section 8 building and she is asking Council to consider it also becoming a section 811 building which would allow younger handicapped people to live there. There is nothing in South Lyon for younger handicapped people. She stated at one time, it was an 811 building, but for 800 you have to be over 55 years to live there. She is asking that if maybe out of 53 apartments, maybe 3 could be 811 so that younger disabled people could live in our city.

#### MANAGER'S REPORT

City Manager Zelenak stated at a future meeting we will be discussing the water/sewer tap fee usage policy. The SRO will be on a future agenda. The budget approval will take place on Monday the 23<sup>rd</sup>. He then stated he met with HRC and the road commission regarding the draft report of the drainage study for Pontiac Trail storm system. They will be making changes to the final report which will identify the improvement options to increase the drainage capacity and minimize the flooding. City Manager Zelenak stated we will also be bringing the contract for Peoples Express. Currently our City Attorney is reviewing it. He then stated 501 McMunn is scheduled to be demolished but there will be a fire training exercise at the location before that happens. He then stated the signs at Lefty's have been removed. He stated they

had a road committee meeting and they are currently updating the frequently asked questions. Councilmember Kivell asked if 110 Detroit has pulled building permits. Attorney Hamameh stated we are waiting for the court to enter their judgment and their timeline doesn't trigger until that happens. Councilmember Kivell stated there is a sign that says additional parking as you go into the historical village and it was supposed to be a sign for the other parking lot, that should be removed. He then stated there was a great push for the replacement of the sidewalks, and he is wondering if there is a lot more to be done. City Manager Zelenak stated he will have to check with Jeff Archey, but there has been a lot completed, and some was because of our code enforcement.

#### COUNCIL COMMENTS

Councilmember Dilg stated Ladies Night was really great and she didn't realize she hadn't visited Back to the Basics store in town, and she stopped by there and it is a really great store. She stated they have a lot of great things there. She then stated the Salem/South Lyon Library is featuring paintings by a talented artist and everyone should see them and she will probably be buying two of them. On May 17<sup>th</sup> there will be a food truck rally at South Lyon East from 5-9 to raise money for the band. She then stated on May 20<sup>th</sup> at 4 p.m. the varsity baseball team will go against the state championship softball team and the proceeds will go to the South Lyon Special Stars. She then thanked the South Lyon Democrats and the Kensington Valley Civitan's for helping with the adopt the road cleanup. She stated they both did some heavy cleaning of our roads. She then thanked the South Lyon Historical Society for their presentation tonight.

Councilmember Hansen stated the Kensington Valley Chamber of Commerce is holding their 2022 awards luncheon this week at the Links of Novi on Wednesday. He then stated this year we had some great honorees. He further stated the Phoenix Award is going to the war dog memorial and the organization of the year is going to the Kiwanis International and the Sparrow Freedom Project and the business of the year is Brostrom Physical Therapy. Rising Star is going to Prefurred Pet Salon, and the Ambassador of the year is Brittany Dingman and lifetime achievement is going to Chris Stone of the New Hudson Inn, and the volunteers of the year are Ken and Valeda Palazzolo, Debi and Doug Cook and Louis Carneval and Steve Kennedy is Citizen Of The Year.

Councilmember Kurtzweil thanked Vibe Credit Union for sponsoring the 2022 awards luncheon. She stated she has been asked about the flowers in Paul Baker Park. She further stated the nights are still too cool to put out the annuals and there is a lot of wind coming off that street and the city spends a lot of money on the flowers. Hopefully it will warm up by Memorial Day. She then thanked all the high school students that were in the park getting their pictures taken during prom time. She further stated the A&E One Show is up in the city, and we have works from students from South Lyon and South Lyon East and they are throughout the city. She further stated the Cultural Arts Commission now have QR codes on the artwork and you can learn about the artists. She thanked the Cultural Arts Commission for doing so. She further stated we will need more Election Inspectors and she hopes we can get more volunteers. We have safe and accurate elections in the City of South Lyon and they are run very well.

Councilmember Kennedy congratulated Diana Regan on a great start for the Farmers Market season. You certainly hit a home run with all of the vendors we had available, the two food trucks and the perfect weather. Looking forward to even more great Saturdays throughout the season. He then reminded everyone that on Saturday, May 14<sup>th</sup>, the City of South Lyon and the Salem-South Lyon District Library will be holding a document shredding event in the library parking lot from 10am until 1pm. Now is the time to clear out all of those unneeded documents and dispose of them in a secure and environmentally-

friendly way. He then reminded everyone that the first Lake Street Cruise-in will take place on Wednesday, May 25<sup>th</sup> at 6:30pm so mark your calendars now and plan to come out for a great time.

Councilmember Mosier reminded everyone that we need more volunteers for our boards and commissions. She further stated the Farmers Market was phenomenal last weekend and Diana Regan does a great job and she knew she would. She further stated we've got many more things coming. She further stated the itinerary of events is on the city website, such as the Concerts in the Park, the Movies in the Park and she is happy we will have the Holiday Spectacular again.

Councilmember Kivell stated the Farmers Market was terrific and it was a lot of fun. He further stated people are starting to feel better and the weather is getting better. We are in good position to see ourselves grow again.

Mayor Pelchat wished everyone a belated Happy Mother's Day. He further stated it was a beautiful day. He then stated he received a letter about our Deputy Clerk Pieper. He then read a letter stating that Judy now has the MIPMC certification and everyone should give her a pat on her back. She is great at her job and she always has a smile on her face. He further stated everyone should take care of themselves and get caught up on any doctor or dentist appointments they may have put off due to the pandemic.

#### ADJOURNMENT

#### CM 5-10-22 MOTION TO ADJOURN

Motion by Kurtzweil

Motion to adjourn meeting at 9:30 p.m.

#### MOTION CARRIED

Respectfully submitted,

\_\_\_\_\_  
Mayor Dan Pelchat

\_\_\_\_\_  
City Clerk/Treasurer Lisa Deaton

# AGENDA NOTE

Consent Agenda 1

**MEETING DATE:** May 23, 2022

**PERSON PLACING ITEM ON AGENDA:** City Manager

**AGENDA TOPIC:** Resignation of Gene Carroll from DDA Board

**EXPLANATION OF TOPIC:** We have received an email dated May 10, 2022 from Gene Carroll resigning his position from the South Lyon DDA Board.

**MATERIALS ATTACHED AS SUPPORTING DOCUMENTS:** Email dated May 10, 2022 from Gene Carroll resigning from the South Lyon DDA Board.

**POSSIBLE COURSES OF ACTION:** Accept the resignation of Gene Carroll from the South Lyon DDA Board.

**SUGGESTED MOTION:** Motion by \_\_\_\_\_, supported by \_\_\_\_\_ to accept the resignation of Gene Carroll from the South Lyon DDA Board.

## **Lisa Deaton**

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**From:** Nate Mack  
**Sent:** Thursday, May 12, 2022 2:46 PM  
**To:** Dan Pelchat; Lisa Deaton  
**Cc:** Paul Zelenak  
**Subject:** FW: Design Committee Meeting

Lisa and Dan,

Below is the email from Gene Carroll, DDA Board Member, offering his resignation to the DDA Board of Directors. We will be looking to fill his vacant seat on the board in the next few weeks.

Nate

Nate Mack, Director  
DDA/Economic Development | City of South Lyon  
335 S. Warren St., South Lyon, MI  
Office: (248) 437-1735 | Cell: (947) 777-9355  
[www.southlyonmi.org](http://www.southlyonmi.org)

---

**From:** Gene Carroll  
**Sent:** Tuesday, May 10, 2022 11:21 AM  
**To:** Nate Mack <[nmack@southlyonmi.org](mailto:nmack@southlyonmi.org)>  
**Subject:** RE: Design Committee Meeting

Thanks for the reply Nate,

I understand how important it is to maintain a quorum and build momentum when it comes to advancing the goals of the DDA. I have enjoyed working with everyone on the committee and sincerely advocate for positive change in our community. I spent 25 years raising our family there and wish our small town could realize its full potential. I am glad to know that other members of the community are interested in taking part in this objective as well. Due to my schedule and long distance relationship at this point I wish to step aside and let others carry the banner and support of Downtown South Lyon. I would like to thank everyone for their friendship and commitment to working together. If there is anything I can help with as an advocate for South Lyon in the future, please don't hesitate to ask.

Wishing you and all the other members of the DDA the very best in 2022 and beyond.

Be Well,

**Gene Carroll** AIA, LEED AP  
Vice President

## **Neumann/Smith Architecture**

**From:** Nate Mack <[nmack@southlyonmi.org](mailto:nmack@southlyonmi.org)>  
**Sent:** Tuesday, May 10, 2022 9:36 AM

# AGENDA NOTE

Consent Agenda: Item #2

**MEETING DATE:** May 23, 2022

**PERSON PLACING ITEM ON AGENDA:** Police Chief

**AGENDA TOPIC:** Carl and Joanne's Christmas in July Fundraiser 2022

**EXPLANATION OF TOPIC:** Jeffrey Heinanen, on behalf of the Carl and Joanne Foundation, would like to host Carl and Joanne's Christmas in July Fundraiser on July 30, 2022. The event would take place mostly at Heinanen Engineering located at 350 S. Lafayette Street between 3:00 p.m. July 30, 2022 and 12:00 a.m. He is requesting a road closure on S. Lafayette between McHattie Street and Elm Place from 2:00 p.m. July 30, 2022 and 2:00 a.m. July 31, 2022 for the event.

**MATERIALS ATTACHED AS SUPPORTING DOCUMENTS:** Event Application, Hold Harmless Agreement, Road Closure Resolution, (Insurance Certificate and MLCC approval forthcoming), event diagram.

**POSSIBLE COURSES OF ACTION:** Approve/Do Not Approve the event and/or the requested road closure.

**SUGGESTED MOTION:** Motion by \_\_\_\_\_, supported by \_\_\_\_\_ to approve the Carl and Joanne's Christmas in July Fundraiser application and Resolve 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 Carl and Joanne's Christmas in July Fundraiser on July 30, 2022, between McHattie Street and Elm from 2:00 p.m. July 30, 2022 and 2:00 a.m. July 31, 2022, 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.

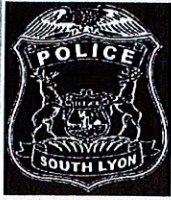
Motion by \_\_\_\_\_, supported by \_\_\_\_\_

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 Carl and Joanne's Christmas in July Fundraiser on July 30, 2022 and the related road closures: S. Lafayette between McHattie Street and Elm Place from 2:00 p.m. July 30, 2022 and 2:00 a.m. July 31, 2022

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.

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of South Lyon, County of Oakland, State of Michigan, at a regularly scheduled meeting of May 23, 2022 and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said act.

Lisa Deaton  
City Clerk/Treasurer



## South Lyon Police Department

219 Whipple St.  
South Lyon, MI 48178  
Ph: (248) 437-1773  
Fx: (248) 437-0459

### Parade/Event Application

Date(s) of Event: 07/30/2022  
Applicant's Name: Jeffrey Heinanen Ph#: \_\_\_\_\_  
Applicant's Address: \_\_\_\_\_ South Lyon, MI 48178  
Name of Event: Carl and Joanne's Christmas in July Fundraiser  
Business/Organization Name: Carl and Joanne Foundation  
Business Address: 350 S. Lafayette Street  
Business Phone Number: (248) 486-6100  
President/CEO Responsible for Event: Jeffrey Heinanen Ph#: \_\_\_\_\_  
Event Start Date and Time: 07/30/2022 3:00 AM / PM  
Event End Date and Time: 07/30/2022 12:00 AM / PM  
Approximate number of persons attending: 300  
Approximate number and types of vehicles: \_\_\_\_\_

Approximate number and types of animals: \_\_\_\_\_

Amount of space maintained between all units in parade: \_\_\_\_\_

Route to be traveled (Include Street Names and turning directions) or area to be utilized:

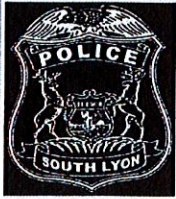
**\*\*Please attach a map of the area and/or route that will be utilized during the event\*\***

Requesting S.Lafayette Road Closure - See Diagram

[Signature] Member Host [Signature] Member Carl and Joanne Foundation  
Applicants Signature and Date Responsible Party's Signature and Date

☒ PD ☒ FD ☒ DPW ☒ City Hall

Chief Christopher Sovik 5/12/22  
Chief Christopher Sovik Date



## South Lyon Police Department

219 Whipple St.  
South Lyon, MI 48178  
Ph: (248) 437-1773  
Fx: (248) 437-0459

### Hold Harmless

To the fullest extent permitted by law the Carl and Joanne Foundation

(Name of applicant/organization)

agrees to defend, pay on behalf of, indemnify, and hold harmless the City of South Lyon, its elected and appointed officials, employees, volunteers, and other working on behalf of the City of South Lyon against any and all claims, demands, suits, or loss, including all costs connected therewith, and for any damages which may be asserted, claimed, or recovered against or from the City of South Lyon by reason of personal injury, including bodily injury or death and/or property damage including loss of use thereof which arises out of, or is in any way connected or associated with this event. You and/or the organization that holds responsibility will be held liable for the conduct of the event and each of its participants.

A large, stylized handwritten signature in black ink, appearing to be "J. M. MEMBER".  
Signature

4/25/22  
Date

3/30/22, 12:41 PM

Google Earth



Google Earth

30 m

Camera: 434 m 42°27'29"N 83°39'06"W 280 m

# AGENDA NOTE

Consent Agenda: Item # 3

**MEETING DATE:** May 23, 2022

**PERSON PLACING ITEM ON AGENDA:** Police Chief

**AGENDA TOPIC:** Carl and Joanne's Christmas Corner Fundraiser 2022

**EXPLANATION OF TOPIC:** Jeffrey Heinanen, on behalf of the Carl and Joanne Foundation, would like to host Carl and Joanne's Christmas Corner Fundraiser on December 3, 2022. The event would take place mostly at Heinanen Engineering located at 350 S. Lafayette Street between 4:00 p.m. December 3, 2022 and 12:00 a.m. He is requesting a road closure on S. Lafayette between McHattie Street and Elm Place from 3:00 p.m. December 3, 2022 to 2:00 a.m. December 4, 2022 for the event.

**MATERIALS ATTACHED AS SUPPORTING DOCUMENTS:** Event Application, Hold Harmless Agreement, Road Closure Resolution, (Insurance Certificate and MLCC approval forthcoming), event diagram.

**POSSIBLE COURSES OF ACTION:** Approve/Do Not Approve the event and/or the requested road closure.

**SUGGESTED MOTION:** Motion by \_\_\_\_\_, supported by \_\_\_\_\_ to approve the Carl and Joanne's Christmas Corner Fundraiser application and Resolve 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 Carl and Joanne's Christmas in July Fundraiser on December 3, 2022, between McHattie Street and Elm from 3:00 p.m. December 3, 2022 to 2:00 a.m. December 4, 2022, 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.

Motion by \_\_\_\_\_, supported by \_\_\_\_\_

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 Carl and Joanne's Christmas Corner Fundraiser on December 3, 2022 and the related road closures: S. Lafayette between McHattie Street and Elm Place from 3:00 p.m. December 3, 2022 to 2:00 a.m. December 4, 2022.

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.

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of South Lyon, County of Oakland, State of Michigan, at a regularly scheduled meeting of May 23, 2022 and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said act.

Lisa Deaton  
City Clerk/Treasurer



## South Lyon Police Department

219 Whipple St.  
South Lyon, MI 48178  
Ph: (248) 437-1773  
Fx: (248) 437-0459

### Parade/Event Application

Date(s) of Event: 12/03/2022  
Applicant's Name: Jeffrey Heinanen Ph#: \_\_\_\_\_  
Applicant's Address: \_\_\_\_\_ South Lyon, MI 48178  
Name of Event: Carl and Joanne's Christmas Corner Fundraiser  
Business/Organization Name: Carl and Joanne Foundation  
Business Address: 350 S. Lafayette Street  
Business Phone Number: (248) 486-6100  
President/CEO Responsible for Event: Jeffrey Heinanen Ph#: \_\_\_\_\_  
Event Start Date and Time: 12/03/2022 4:00 AM / PM  
Event End Date and Time: 12/03/2022 12:00 AM / PM  
Approximate number of persons attending: 500  
Approximate number and types of vehicles: \_\_\_\_\_  
\_\_\_\_\_

Approximate number and types of animals: \_\_\_\_\_

Amount of space maintained between all units in parade: \_\_\_\_\_

Route to be traveled (Include Street Names and turning directions) or area to be utilized:

**\*\*Please attach a map of the area and/or route that will be utilized during the event\*\***

Requesting S. Lafayette Road Closure - See Diagram

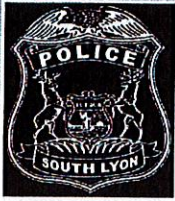
[Signature]  
Applicants Signature and Date

[Signature]  
Responsible Party's Signature and Date

☒ PD ☒ FD ☒ DPW ☒ City Hall

Chief Christopher Sovik  
Chief Christopher Sovik

5/12/22  
Date



## South Lyon Police Department

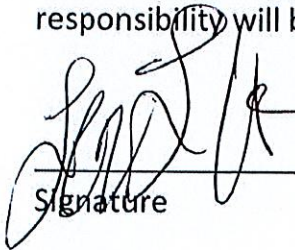
219 Whipple St.  
South Lyon, MI 48178  
Ph: (248) 437-1773  
Fx: (248) 437-0459

### Hold Harmless

To the fullest extent permitted by law the Carl and Joanne Foundation

(Name of applicant/organization)

agrees to defend, pay on behalf of, indemnify, and hold harmless the City of South Lyon, its elected and appointed officials, employees, volunteers, and other working on behalf of the City of South Lyon against any and all claims, demands, suits, or loss, including all costs connected therewith, and for any damages which may be asserted, claimed, or recovered against or from the City of South Lyon by reason of personal injury, including bodily injury or death and/or property damage including loss of use thereof which arises out of, or is in any way connected or associated with this event. You and/or the organization that holds responsibility will be held liable for the conduct of the event and each of its participants.

 MEMBER  
Signature

4/25/22  
Date



# AGENDA NOTE

Consent Agenda: Item # 4

**MEETING DATE:** May 23, 2022

**PERSON PLACING ITEM ON AGENDA:** Police Chief

**AGENDA TOPIC:** Carl and Joanne's South Lyon Eve Fundraiser 2022

**EXPLANATION OF TOPIC:** Jeffrey Heinanen, on behalf of the Carl and Joanne Foundation, would like to host Carl and Joanne's South Lyon Eve Fundraiser on December 31, 2022. The event would take place at Heinanen Engineering located at 350 S. Lafayette Street between 7:00 p.m. December 31, 2022 and 1:00 a.m. January 1, 2023. He is requesting a road closure on S. Lafayette between McHattie Street and Elm Place from 5:00 p.m. December 31, 2022 and 3:00 a.m. January 1, 2023 for the event.

**MATERIALS ATTACHED AS SUPPORTING DOCUMENTS:** Event Application, Hold Harmless Agreement, Road Closure Resolution, (Insurance Certificate and MLCC approval forthcoming), event diagram.

**POSSIBLE COURSES OF ACTION:** Approve/Do Not Approve the event and/or the requested road closure.

**SUGGESTED MOTION:** Motion by \_\_\_\_\_, supported by \_\_\_\_\_ to approve the Carl and Joanne's South Lyon Eve Fundraiser application and Resolve 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 Carl and Joanne's South Lyon Eve Fundraiser on December 31, 2022, and January 1, 2023 between McHattie Street and Elm Place from 5:00 p.m. to 3:00 a.m., 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.

05/23/22

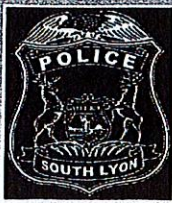
Motion by \_\_\_\_\_, supported by \_\_\_\_\_

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 Carl and Joanne's South Lyon Eve Fundraiser on December 31, 2022 from 7:00 p.m. to 1:00 a.m. January 1, 2023, and the related road closures: S. Lafayette between McHattie Street and Elm Place from 5:00 p.m. December 31, 2022 to 3:00 a.m. January 1, 2023.

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.

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of South Lyon, County of Oakland, State of Michigan, at a regularly scheduled meeting of May 23, 2022 and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said act.

Lisa Deaton  
City Clerk/Treasurer



## South Lyon Police Department

219 Whipple St.  
South Lyon, MI 48178  
Ph: (248) 437-1773  
Fx: (248) 437-0459

### Parade/Event Application

Date(s) of Event: 12/31/2022  
Applicant's Name: Jeffrey Heinanen Ph#:                       
Applicant's Address:                     , South Lyon, MI 48178  
Name of Event: Carl and Joanne's South Lyon Eve Fundraiser  
Business/Organization Name: Carl and Joanne Foundation  
Business Address: 350 S. Lafayette Street  
Business Phone Number: (248) 486-6100  
President/CEO Responsible for Event: Jeffrey Heinanen Ph#:                       
Event Start Date and Time: 12/31/2022 7:00 AM / PM  
Event End Date and Time: 01/01/2023 1:00 AM / PM  
Approximate number of persons attending: 500  
Approximate number and types of vehicles:                     

Approximate number and types of animals:                     

Amount of space maintained between all units in parade:                     

Route to be traveled (Include Street Names and turning directions) or area to be utilized:

**\*\*Please attach a map of the area and/or route that will be utilized during the event\*\***

Requesting S. Lafayette Road Closure - See Diagram

[Signature]  
Applicants Signature and Date 12/25/22

[Signature]  
Responsible Party's Signature and Date Carl + Joanne Foundation

☒ PD ☒ FD ☒ DPW ☒ City Hall

Chief Christopher Sovik 5/19/22  
Chief Christopher Sovik Date



## South Lyon Police Department

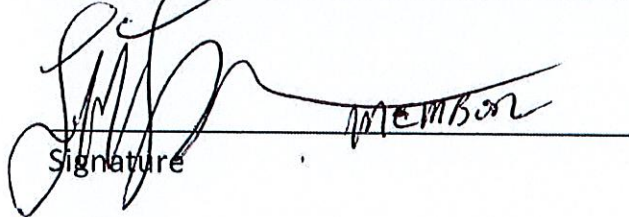
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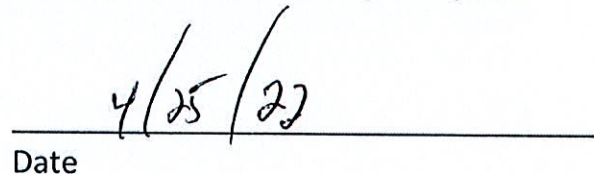
### Hold Harmless

To the fullest extent permitted by law the Carl and Joanne Foundation

(Name of applicant/organization)

agrees to defend, pay on behalf of, indemnify, and hold harmless the City of South Lyon, its elected and appointed officials, employees, volunteers, and other working on behalf of the City of South Lyon against any and all claims, demands, suits, or loss, including all costs connected therewith, and for any damages which may be asserted, claimed, or recovered against or from the City of South Lyon by reason of personal injury, including bodily injury or death and/or property damage including loss of use thereof which arises out of, or is in any way connected or associated with this event. You and/or the organization that holds responsibility will be held liable for the conduct of the event and each of its participants.

A handwritten signature in black ink, appearing to be "J. M. B. R.", written over a horizontal line. Below the line, the word "Signature" is printed.

A handwritten date "4/25/22" in black ink, written over a horizontal line. Below the line, the word "Date" is printed.

3/30/22, 12:41 PM

Google Earth



Google Earth

Camera: 434 m 42°27'29"N 83°39'06"W 280 m

# CITY OF SOUTH LYON



## Mayor

Daniel L. Pelchat

## Council Members

Glenn Kivell

Lisa Dilg

Stephen Kennedy

Margaret J. Kurtzweil

Alex Hansen

Lori Mosier

## City Manager

Paul Zelenak

## Clerk/Treasurer

Lisa Deaton

335 S Warren

South Lyon, MI 48178

Phone: 248-437-1735

Fax: 248-486-7054

[www.southlyonmi.org](http://www.southlyonmi.org)

## PROCLAMATION

### National Gun Violence Awareness Day

This proclamation declares the first Friday in June to be National Gun Violence Awareness Day in South Lyon, Michigan to honor and remember all victims and survivors of gun violence and to declare that we, as a country, must do more to reduce gun violence.

WHEREAS, every day, 100+ Americans are killed by gun violence and on average, there are nearly 13,000-gun homicides every year; and

WHEREAS, Americans are 25 times more likely to be killed with guns than people in other high-income countries; and

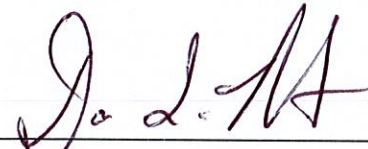
WHEREAS, protecting safety in the communities they serve is mayors' highest responsibility; and

WHEREAS, support for the Second Amendment rights of law-abiding citizens goes hand-in-hand with keeping guns away from people with dangerous histories; and

WHEREAS, mayors and law enforcement officers know their communities best, are the most familiar with local criminal activity and how to address it, and are best positioned to understand how to keep their citizens safe; and

WHEREAS, by wearing orange on June 3, 2022, Americans will raise awareness about gun violence and honor the lives of gun violence victims and survivors; and

**NOW, THEREFORE, BE IT RESOLVED**, that I, Daniel L. Pelchat, Mayor of South Lyon, County of Oakland, State of Michigan, do hereby proclaim Friday, June 3, 2022 to be National Gun Violence Awareness Day in the City of South Lyon. I encourage all citizens to support their local communities' efforts to prevent the tragic effects of gun violence and to honor and value human lives.

  
Daniel L. Pelchat, Mayor

5/23/2022  
Date

# AGENDA NOTE

Unfinished Business Item # 1

**MEETING DATE:** May 23, 2022

**PERSON PLACING ITEM ON AGENDA:** City Manager

**AGENDA TOPIC:** Water & Sewer Tap In Fees

**EXPLANATION OF TOPIC:** It has been brought up at past City Budget and Council meetings regarding the guidelines for the use of Tap in fees for Water & Sewer revenues. The prior use of the funds was established by an Administrative Policy adopted in April of 1989 whereby City Council segregated 80% of Water and Sewer tap in fees, with a breakdown of 56.25% to sewer capital improvement and 43.75% to water capital improvement. We are currently using those funds for the improvements in the water and sewer system. With the assistance of our attorneys, we have prepared the proposed policy language for the use of future water and sewer tap-in fees. The prior funds and future funds, would be deposited into one single water and sewer account. It would then allow the use of those combined funds for improvements to either the water or sewer system.

**MATERIALS ATTACHED AS SUPPORTING DOCUMENTS:** Copy of the minutes from the April 24, 1989 City Council Meeting whereby the administrative policy was established. Copy of the February 28, 2022 City Council Minutes, proposed Resolution to amend administrative policy regarding water and sewer tap fees on use of funds within the Water and Sewer Capital Improvement Fund

**POSSIBLE COURSES OF ACTION:** To approve or not approve the proposed Resolution to Amend Administrative Policy Regarding Water and Sewer Tap Fees.

**SUGGESTED MOTION:** Motion by \_\_\_\_\_, supported by \_\_\_\_\_ to approve the proposed Resolution to Amend Administrative Policy Regarding Water and Sewer Tap Fees.

4/24/89 meeting cont..

Moved by Renwick, supported by Sweet to approve the minutes of the April 10, 1989 Regular Council meeting.

Yes: 5 No: 0

Moved by Renwick, supported by Potter to approve the Agenda as amended to include under Old Business-3. Solid Waste consortium resolution question, 4-trees.

Yes: 5 No: 0

Citizens suggestion-Glenn Kivell of 235 W. Lake St. questioned the height of some of the traffic signs at the downtown intersection. Smith said he would check the signs.

Ambulance Director Pirtle presented a Certificate of Commendation to Wallace Duncan for his years of voluntary service with the ambulance department.

# I. OLD BUSINESS

1. Administrative policy for establishing replacement funds for water and sanitary sewer.

Moved by Potter, supported by Wells to segregate 80% of water and sewer tap-on fees, with a breakdown of 56.25% to sewer capital improvement and 43.75% to water capital improvement.

Yes: 5 No: 0

2. Proposed Double Chip and seal for streets in Lyon Blvd., area-10,900 sq. yd. at \$1.21 per square yard (estimated cost).

Moved by Sweet, supported by Potter that 10,900 sq. yd. of Lyon Blvd., area be covered with double chip and seal.

Yes: 5 No: 0

3. Solid Waste Consortium Resolution question

Potter questioned the section in the Solid Waste Consortium resolution that the City agrees to prohibition of scavenging of recyclable materials. He wondered if this meant the City wouldn't allow a needy person to pick up a chest at someones curb. Attorney Lee said that section was in the resolution to discourage recycling companies from going ahead of the regular pick-up truck and taking the recyclable materials.

4. Trees

Mayor Wallace asked DPW Supt. Beebe if any trees were scheduled to be planted at curbside this spring. Beebe said no, but hopefully this fall.

# II. NEW BUSINESS

1. Establish Public Hearing-Budget for FY 1989-90, May 22, 1989

Moved by Renwick, supported by Sweet that the Public Hearing for the FY 1989-90 budget be held on May 22, 1989.

Yes: 5 No: 0

Pelchat- Yes

MOTION CARRIED UNANIMOUSLY

2. Water & Sewer Tap-In Fees

City Manager Zelenak explained in 1989 the city passed a policy for the use of tap in fees for water and sewer revenues. At the time, it was decided to segregate 80% of the fees with a breakdown of 56.25% to sewer capital improvements and 43.75% to water capital improvement. We are currently using those funds for the improvements of the water and sewer system. The question is should we keep the funds as they are, or should a new policy be made without the percentages, which would mean the funds would still be restricted and can only be used in the capital improvement of water and sewer, but it could be used for one or the other, whichever is needed at the time. Another option is to change the current percentages in the policy. Councilmember Kivell stated at the time this took place, we were growing large quickly, so the money built up a good bank for what would end up being used for the maintenance of those systems. It made sense at the time to allocate it so it was tucked away until we needed to use it. City Manager Zelenak stated his concern is that there is a certain percentage that is restricted to water and a percentage to sewer. He would rather not have a percentage allocated to water or to sewer, so that if we need to do more work on the sewer, instead of borrowing from general fund, we could use the funds that are currently allocated to water. The opposite could happen as well. The water and sewer are always restricted and cannot be used for anything other than water and sewer capital improvements. He stated he is just asking to have a new policy without the percentage restrictions. Councilmember Kivell stated that seems reasonable. Councilmember Kurtzweil thanked City Manager Zelenak for moving this forward. She has asked about this for many years. She asked for years for the policy and the auditors have been asking to have this updated as well. She agrees with the City Manager that they stay as a restricted asset, and she understands removing the percentage. She further stated she would be happy if we make it a resolution so people can find it in the future. Finance and Benefit Administrator Tiernan stated the funds are committed to this policy. By committing them they cannot be used for anything except water and sewer infrastructure. If you have a resolution to committing the funds, you have the ability to change it in the future, whether it be percentages or something else. Councilmember Kurtzweil asked what is the difference between committing and restricting the funds. Ms. Tiernan stated if the funds are committed, Council can change the policy, if its restricted there needs to be more formal language. City Manager Zelenak stated there already is a restriction on those funds, we can draft a new policy that will commit the funds to use interchangeable between the water and sewer fund. Councilmember Mosier asked if by committing or restricting, the funds will not be used for anything else. Ms. Tiernan stated the intention is the same, we're just removing the percentages. Councilmember Mosier stated she found the minutes 5 years ago and gave them to Plante Moran, she doesn't know why they weren't given to Councilmember Kurtzweil. Councilmember Dilg asked if the money that is there have to be used by the percentages. Ms. Tiernan stated you can make a motion to leave it under the current policy, or change it to be used under the new policy. She further stated there is a little over 1.7 million in the sanitary sewer fund and \$537,000 in the water replacement fund.

CM 2-7-22 MOTION TO DRAFT WATER AND SEWER TAP POLICY

Motion by Kurtzweil, supported by Hansen

Motion to draft the current policy to commit and or restrict the water and sewer tap in fees based upon discussions this evening

ROLL CALL VOTE:

Hansen- Yes

Dilg- Yes

Kurtzweil- Yes

Mosier- Yes

Kivell- Yes

Kennedy- Yes

2/28/22

Pelchat- Yes

MOTION CARRIED UNANIMOUSLY

BUDGET

Councilmember Kurtzweil stated she has been watching the appropriations meetings in Lansing and there is a house bill, HB5054 moving through the legislature which will provide 1.5 billion dollars to provide state fund resources to municipalities to help pay down their pension debt. This is incredible and she has been following it for a while. It is a 2-part grant program, so much will be used for communities owing under 60% and the rest for the communities that owe over 60% of their pension. There is a lot of criteria and grant oriented. If anyone is interested, they should call their State Representative and Senator and tell them we need this approved. The problem is, when you look at the number and split it out with the larger cities, what will be left for South Lyon. You can call Thomas Albert, or Kelly Breen.

PUBLIC COMMENT

Kyle Seymour of 3937 Silverside Drive, Milford stated he is here representing Senator Runestad and he is an intern in his office and he is here to help with anything that is needed.

MANAGER'S REPORT

City Manager Zelenak stated they had the walk through with the potential contractors for the demolition of 501 McMunn and the bids are due tomorrow. He will keep Council updated. He then stated there was an article in Hometown Life regarding 318 W Lake Street outlining what we are looking for on that property. City Manager Zelenak then reminded Council of the pre-budget meeting this Wednesday regarding the ARPA funds as well as a budget workshop meeting on March 2<sup>nd</sup>. The regular budget meeting will be held in April. He stated he met with Oakland County Equalization, and they are estimating our taxable value has increased approximately 6%, but the final numbers will be determined after the Board of Review. He then updated everyone that due to the recommendations of the CDC and the guidelines from the Oakland County Health Department, the city is no longer requiring employees to wear masks indoors and all city buildings are open to the public. Masks are optional for employees and the general public. He then announced that Mayor Pelchat was selected as Oakland County's 40 under 40 Class of 2022. He will be a special guest at the 2022 State of the County address where the class will be introduced.

COUNCIL COMMENTS

Councilmember Dilg thanked all our board and commission members for continuing their work and she appreciates their dedication to South Lyon. She hopes other people will step up and join any boards with openings because we can't function without them. She then personally thanked Annie from The Lemon Tree for all her work on the DDA and her enthusiasm for the city. She then stated she is looking forward to the Carnivale and she hopes everyone comes down and visits the stores and have a great time.

Councilmember Kivell stated he is happy to hear the Farmers Market Manager is only a background check away stepping into that role. He is also happy to hear he was a Market Manager in the past. He is looking forward to see if he has any different ideas that may amp things up. He then stated he is looking forward to Carnivale. He stated his thoughts and hopes are with Ukraine and he is very proud of the countries and organizations that have reached out providing aid in support and even some of the more nefarious nations position that would allow the UN to move forward with condemnations of Russia's behavior. This is very dicey and he wishes them all the best and hopes it will be over quickly.

Councilmember Hansen stated Michigan has close to 46,000 Ukraine residents, and he asked everyone to have them in your thoughts and give them your support. He then reminded everyone of the 18<sup>th</sup> creek clean up on April 24<sup>th</sup>. Everyone is meeting at 401 McMunn.

2/28/22

**CITY OF SOUTH LYON  
RESOLUTION TO AMEND ADMINISTRATIVE POLICY  
REGARDING WATER AND SEWER TAP FEES**

**RESOLUTION NO. \_\_\_\_\_**

At a regular meeting of the City Council for the City of South Lyon, Oakland County, Michigan, held in the City Council Chambers of said City, on the 23<sup>rd</sup> day of May, 2022, at 7:30 p.m.

PRESENT: \_\_\_\_\_

ABSENT: \_\_\_\_\_

The following preamble and resolution was offered by \_\_\_\_\_  
and seconded by \_\_\_\_\_.

**WHEREAS**, at a regular meeting of the City Council of the City of South Lyon, on April 24, 1989, the City Council adopted an administrative policy establishing capital improvement funds for each water and sewer and allocating fees collected for water and sewer tap-in fees as follows: 56.25% in to the sewer capital improvement fund and 43.75% into the water capital improvement fund; and

**WHEREAS**, the City Manager and the City Finance and Benefit Administrator have been in consultation with the City's auditors and legal counsel regarding the separate capital improvement funds and the allocation of fees collected for water and sewer tap fees; and

**WHEREAS**, based on those discussion, the City Manager and the City Finance and Benefits Administrator recommend an amendment to the administrative policy that would combine both funds into one water and sewer capital improvement fund, which may be utilized by both water and sewer departments for capital improvements to the systems.

**NOW THEREFORE BE IT RESOLVED AS FOLLOWS:**

1. The City Council has determined that the current water and sanitary sewer capital fund accounts shall be combined, and utilized by both the water and sanitary sewer departments for capital improvements to the systems.

Funds that are collected for tap-in fees, developer contributions, or any other payment for a share of a capital improvement (e.g. cost-sharing fund, special assessments for water and sanitary sewer improvement, etc.) will be contributed to the water and sanitary sewer

capital fund. If at any time, the water and sanitary sewer capital fund is carrying a balance which exceeds more money than is needed for future planned improvements, the fund balance amounts will be re-evaluated and if necessary proportionally re-allocated to the related operating budgets to be used in accordance with best practices as recommended by the City's auditors.

- 2. All resolutions and parts of resolutions insofar as they conflict with the provisions of this Resolution are rescinded

A vote on the foregoing resolution was taken and was as follows:

ADOPTED.

YEAS: \_\_\_\_\_

NAYS: \_\_\_\_\_

STATE OF MICHIGAN     )  
  )  
COUNTY OF OAKLAND    )

I, Lisa Deaton, City Clerk of the City of South Lyon, hereby certify this to be a true and complete copy of Resolution No. \_\_\_\_\_, duly adopted at a regular meeting of City Council held on the 23<sup>rd</sup> day of May, 2022.

\_\_\_\_\_  
Lisa Deaton  
South Lyon City Clerk

# AGENDA NOTE

Unfinished Business# 2

**MEETING DATE:** May 23, 2022

**PERSON PLACING ITEM ON AGENDA:** City Manager

**AGENDA TOPIC:** 2022-2023 Budget Approval

**EXPLANATION OF TOPIC:** All of you have received the proposed 2020-2023 Budget document. At tonight's meeting we will hold the Public Hearing for the budget. After the Public Hearing, you will consider the approval of the Millage Rate Resolution. And also consider the approval of the 2022-2023 Budget Resolution.

**MATERIALS ATTACHED AS SUPPORTING DOCUMENTS:** Millage Rate Resolution, and Annual Budget Resolution.

**POSSIBLE COURSES OF ACTION:** Under two separate motions, approve / not approve the Millage Rate Resolution, and the Budget Resolution.

**SUGGESTED MOTION(s):** Motion by \_\_\_\_\_, supported by \_\_\_\_\_ to approve the Millage Rate Resolution.

Motion by \_\_\_\_\_, supported by \_\_\_\_\_ to approve the Annual Budget Resolution.

# CITY OF SOUTH LYON



## Mayor

Daniel L. Pelchat

## Council Members

Lisa Dilg

Alex Hansen

Stephen Kennedy

Glenn Kivell

Margaret J. Kurtzweil

Lori Mosier

## City Manager

Paul C. Zelenak

## Clerk/Treasurer

Lisa Deaton

335 S Warren

South Lyon, MI 48178

Phone: 248-437-1735

Fax: 248-486-7054

www.southlyonmi.org

The following resolution was offered by \_\_\_\_\_, and supported by \_\_\_\_\_

RESOLVED, that the City Clerk certify to the City Assessor for spreading on the Assessment Roll of the City of South Lyon for the year 2022-2023, the following amounts, based on taxable value \$448,557,530.

1. At the rate of 12.4938 mills per \$1,000 of valuation for General Fund Operation
2. At the rate of 3.0000 mills per \$1,000 of valuation for Wastewater General Obligation Bonds for wastewater treatment (2002)

RESOLVED FURTHER, that due to the May 2, 1984 election whereby the Library became a free standing and District Library for all purposes including the levy of 1.4369 and the overall levy for the City will be 16.9307 mills, of which 15.4938 mills will be used for City operation and debt.

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

RESOLVED FURTHER, that all installments reported to the City Treasurer as delinquent on Special Assessments and other charges, together with interest due thereon, as provided in Section 7.17 of the City Charter; unpaid charges for water consumption and water tap installation, as provided in Chapter 24 of the South Lyon City Code be assessed against the properties benefited and included in the 2022 Tax Roll.

RESOLVED FURTHER, that the millage for the entire fiscal year 2022-2023 budget not to exceed 15.4938 mills.

MOTION To approve the 2022-2023 proposed budget

VOTE: Roll Call: Ayes –  
Nays –

\_\_\_\_\_ Daniel L. Pelchat, Jr., Mayor

\_\_\_\_\_ Lisa Deaton, City Clerk

## Certificate of Adoption

I hereby certify that the foregoing is a true and complete copy of the resolution adopted at the regular meeting of the South Lyon City Council held on the 23<sup>rd</sup> day of May 2022.

\_\_\_\_\_ Lisa Deaton, City Clerk

Adopted:  
Published:

# CITY OF SOUTH LYON



## Mayor

Daniel L. Pelchat

## Council Members

Lisa Dilg

Alex Hansen

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## Clerk/Treasurer

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The following resolution was offered by \_\_\_\_\_, and supported by \_\_\_\_\_

WHEREAS, on May 23, 2022 the City Manager submitted to City Council a proposed budget for the fiscal year July 1, 2022 through June 30, 2023, and

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

NOW, THEREFORE, BE IT RESOLVED, the City Council hereby adopts the 2022-2023 fiscal budget as shown in the budget document on the Summary page, and detailed on the following pages, with expenditures in the total amount of \$8,092,005.

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

### **Fund No.**

Major Street Operation	202
Local Street Operation	203
Community Development Block Grant	274
Combined Water/Sewer Operation	592
Equipment Replacement Fund	641
Capital Improvement Fund	401
Land Acquisition	509
Downtown Development Authority	280

### **General Debt Service**

2003 G.W. WW Treatment/Bond G.O.	307
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BE IT FURTHER RESOLVED that the City Manager is authorized to advertise for bids, or authorize at the appropriate time for contractual services, commodity purchases and/or capital expenditures throughout the fiscal year in accordance with the enclosed budget document and all applicable City ordinance policies or procedures in effect.

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

VOTE: Roll Call: Ayes –

Nays –

\_\_\_\_\_  
Daniel L. Pelchat, Mayor

\_\_\_\_\_  
Lisa Deaton, City Clerk

The attached Fiscal Year 2022-2023 Budget sheets and corresponding narratives have been revised since the Budget Workshop presentation on April 6, 2022. Please review and replace these documents in your Fiscal Year 2022-2023 Budget binder. The following items have been updated:

### ***Revenues***

Millage & Assessed Valuation Comparison sheet has been updated to reflect final 2022 Board of Review certified Taxable Valuations. The total State Equalized Taxable Value is now \$448,557,530; approximately 7.5% increase from 2021. The draft budget sheets included a 6% increase. The Taxable Value increase to 7.5% has updated the Current Property Tax accounts in the following Department Budget Sheets:

• General Fund Operation	\$5,591,088
• 2003 Wastewater Treatment Bond Debt Service	\$1,345,673
• Capital Improvement (General Fund Operation assigned)	\$ 448,558
• DDA	\$ 55,599

General Fund Revenues account 101-000.000-570 State Shared Revenues has been increased by \$3,193 to \$1,192,780 based on the most recent Treasury Budget Projections for Constitutional Revenue Sharing.

Overall General Fund Revenues have increased \$82,968 to \$8,171,927.

### ***Expenditures***

The General Fund Administrative Department Budget has increased account 101-200.000-802 Contractual Services by \$3,475 to \$121,271 to include a 4% contractual increase for Oakland County Assessing Services.

Overall General Fund Expenditures have increased \$3,475 to \$8,092,005.

### ***Additional Revisions***

The Veterans Memorial Project Department Budget has been reduced by \$2,500 in account line 101-820.000-974 Land Improvements. This is due to moving costs associated with labor provided by the Department of Public Works for the concrete pad to the Parks & Recreation Department Budget account line 101-690.000-702 Wages and Salary. This will not change the overall General Fund Expenditures in the Fiscal Year 2022-2023 Budget.

<b>101 GENERAL FUND REVENUES</b>							
		Audited	Adopted	Amended	Draft	Proposed	Proposed
Revenue	Description	2020-2021	2021-2022	2021-2022	2022-2023	2023-2024	2024-2025
	<b>TAXES</b>						
402.000	Current Property Tax	4,574,926	5,198,610	5,198,610	5,591,088	5,703,172	5,817,497
423.000	Mobile Home Park	1,104	1,100	1,100	1,100	1,100	1,100
444.000	Service fee in lieu of taxes	-	-	-	-	-	-
446.000	Penalties and Interest	14,451	12,000	12,000	12,000	12,000	12,000
	<b>Total</b>	4,590,481	5,211,710	5,211,710	5,604,188	5,716,272	5,830,597
	<b>LICENSES &amp; PERMITS</b>						
451.000	Building Permits	506,633	270,000	270,000	405,000	300,000	300,000
452.000	Plumbing and Mechanical Permits	40,232	30,000	30,000	35,000	35,000	35,000
453.000	Electrical Permits	47,719	35,000	35,000	38,000	38,000	38,000
454.000	Licenses & Business Permits	2,895	2,000	2,000	3,000	3,000	3,000
	<b>Total</b>	597,479	337,000	337,000	481,000	376,000	376,000
	<b>INTERGOVERNMENTAL REVENUES</b>						
528.000	Other Federal Grants	70,388	250,000	250,000	-	600,000	639,777
570.000	State Shared Revenues	1,092,871	1,063,276	1,063,276	1,192,780	1,200,720	1,203,722
570.100	State Shared Rev-Comm. Stabilization	240,317	100,000	100,000	100,000	100,000	100,000
571.000	Federal Grant	-	-	-	-	-	-
	<b>Total</b>	1,333,188	1,413,276	1,413,276	1,292,780	1,900,720	1,943,499
	<b>CHARGES FOR SERVICES</b>						
600.000	Board of Appeals	1,800	1,350	1,350	1,500	1,500	1,500
600.100	Rezoning Fees	-	-	-	-	-	-
630.000	Property Tax Admin Fees	102,293	101,500	101,500	102,250	102,250	102,250
634.000	Grave Openings & Foundations	49,445	40,000	40,000	35,000	35,500	36,000
635.000	W & S Administration	-	-	-	-	-	-
668.200	Property Rental-Cable	134,161	125,000	125,000	125,000	125,000	125,000
668.300	Lease-Antenna	41,802	38,000	38,000	40,000	40,000	40,000
668.400	Property Rentals	-	-	-	-	-	-
	<b>Total</b>	329,501	305,850	305,850	303,750	304,250	304,750
	<b>FINES &amp; FORFEITURES</b>						
661.000	Parking Violations	340	150	150	150	154	158
662.000	Local Court Fines	14,899	15,000	15,000	15,000	15,000	15,000
	<b>Total</b>	15,239	15,150	15,150	15,150	15,154	15,158
	<b>MISCELLANEOUS REVENUES</b>						
642.000	Police Miscellaneous	56,234	55,000	55,000	153,474	55,000	55,000
664.000	Interest Income	2,300	15,500	15,500	1,200	1,230	1,255
664.200	Park and Rec Interest	-	-	-	-	-	-
666.000	Equalization & Contingency Interest	70	100	100	25	25	25
669.209	Contribution-Perpetual Care	50,000	49,500	49,500	48,110	45,427	44,877
675.200	Contribution - Winter Events	-	4,000	4,000	-	-	-
675.600	Donations to Cultural Arts Comm.	280	300	300	300	300	300
675.800	Contribution - Veterans Memorial Project	8,200	7,500	7,500	5,000	-	-
676.005	Contribution - Parks & Rec	-	-	-	100,000	-	-
692.000	Grant Money - Other	-	-	-	-	-	-
692.200	Oakland Together CVT COVID Funding	215,368	-	-	-	-	-
694.300	Payment of Sidewalk by Residential	3,425	6,250	6,250	10,000	10,000	10,000
698.000	Miscellaneous	43,733	75,000	75,000	45,000	45,500	46,000
698.100	Fire Miscellaneous	9,883	4,500	4,500	4,500	4,500	4,500
698.200	Prior Year's Property Tax	6,035	5,800	5,800	5,000	5,100	5,200
698.210	Wedding Proceeds	650	1,950	1,950	1,950	1,950	1,950
698.220	MMRMA Dividends	70,012	60,000	60,000	60,000	60,000	60,000
698.230	SMART Credits	586	5,000	5,000	500	500	500
698.600	Grant Monies - Fire Dept.	5,018	5,000	5,000	10,000	5,000	5,000
698.800	Grant Monies - Police Dept.	-	5,000	5,000	10,000	5,000	5,000
698.900	Grant Monies - Cultural Arts	-	-	-	-	-	-
673.000	Sale of Fixed Assets	-	10,000	10,000	20,000	-	-
	<b>Total</b>	471,793	310,400	310,400	475,059	239,507	239,581

	<b>TOTAL FISCAL YEAR REVENUES</b>	7,337,681	7,593,386	7,593,386	<b>8,171,927</b>	8,551,903	8,709,585
	<b>BEGINNING FUND BALANCE</b>	4,564,487	5,277,026	5,277,026	<b>5,601,898</b>	5,681,821	5,975,925
	<b>COMBINED REVENUES &amp; FUND BALANCE</b>	11,902,168	12,870,412	12,870,412	<b>13,773,825</b>	14,233,723	14,685,511
	<b>TOTAL EXPENDITURES</b>	6,625,143	7,072,392	7,268,514	<b>8,092,005</b>	8,257,798	8,452,621
	<b>ENDING FUND BALANCE</b>	5,277,026	5,798,020	5,601,898	<b>5,681,821</b>	5,975,925	6,232,888
Printed: 5/9/2022							

<b>MILLAGE &amp; ASSESSED</b>						
<b>VALUATION COMPARISON</b>						
	Audited	Adopted	Amended	<b>Draft</b>	Proposed	Proposed
	2020-2021	2021-2022	2021-2022	<b>2022-2023</b>	2023-2024	2024-2025
General Fund Operation	12.4938	12.4938	12.4938	<b>12.4938</b>	12.4938	12.4938
Debt Service - Sewer G.O.	3.0000	3.0000	3.0000	<b>3.0000</b>	3.0000	3.0000
<b>TOTAL</b>	15.4938	15.4938	15.4938	<b>15.4938</b>	15.4938	15.4938
General Fund Operation	4,985,544	5,211,710	5,211,710	<b>5,604,188</b>	5,716,272	5,830,597
Debt Service - Sewer G.O.	1,197,124	1,251,431	1,251,431	<b>1,345,673</b>	1,372,586	1,400,038
<b>TOTAL</b>	6,182,668	6,463,142	6,463,142	<b>6,949,861</b>	7,088,858	7,230,635
<b>STATE EQUALIZED VALUES/TAXABLE VALUES*</b>						
	Audited	Adopted	Amended	<b>Adopted</b>	Proposed	Proposed
	2020-2021	2021-2022	2021-2022	<b>2022-2023</b>	2023-2024	2024-2025
Residential	348,755,510	365,328,540	365,328,540	<b>391,619,610</b>	399,452,002	407,441,042
Commercial	35,149,000	36,145,260	36,145,260	<b>39,430,260</b>	40,218,865	41,023,243
Industrial	11,498,220	4,442,880	4,442,880	<b>4,651,780</b>	4,744,816	4,839,712
Personal	3,638,680	11,227,050	11,227,050	<b>12,855,880</b>	13,112,998	13,375,258
Development						
IFT						
CFT						
<b>TOTAL</b>	399,041,410	417,143,730	417,143,730	<b>448,557,530</b>	457,528,681	466,679,254
1 Mill of General Fund Operation Assigned to Capital Improvement						
Printed: 5/9/2022						

GENERAL FUND OPERATION							
SUMMARY OF EXPENDITURES							
		Audited	Adopted	Amended	Draft	Proposed	Proposed
Expenditure	Description	2020-2021	2021-2022	2021-2022	2022-2023	2023-2024	2024-2025
200	Administration	1,738,289	1,535,992	1,535,992	1,760,522	1,786,974	1,819,834
276	Cemetery	121,663	144,910	147,960	201,241	207,017	212,961
295	Public Transportation	91,060	87,076	87,076	90,000	91,800	94,095
300	Police	2,734,968	2,884,688	2,887,688	3,279,633	3,368,563	3,456,567
335	Fire	761,323	1,008,331	1,198,403	1,165,896	1,201,693	1,225,049
346	Ambulance	2,304	5,680	5,680	5,680	5,680	5,680
440	Public Works	913,454	1,025,197	1,025,197	1,056,462	1,085,043	1,114,404
690	Parks & Recreation	225,016	320,493	320,493	462,365	474,193	486,333
732	Historical	25,900	34,125	34,125	43,580	28,210	29,073
800	Cable	1,044	13,925	13,925	13,925	3,425	3,425
802	Cultural Arts	623	2,975	2,975	5,200	5,200	5,200
820	Veterans Memorial Project	9,498	9,000	9,000	7,500	0	0
	<b>Totals</b>	6,625,143	7,072,392	7,268,514	8,092,005	8,257,798	8,452,621
Printed:	5/9/2022						

<b>101-200 GENERAL FUND OPERATION</b>							
<b>ADMINISTRATION</b>							
<b>Expenditure</b>	<b>Description</b>	<b>Audited 2020-2021</b>	<b>Adopted 2021-2022</b>	<b>Amended 2021-2022</b>	<b>Draft 2022-2023</b>	<b>Proposed 2023-2024</b>	<b>Proposed 2024-2025</b>
702.000	Wages/Salaries	419,979	385,129	385,129	<b>403,172</b>	413,252	423,583
715-720	Fringe Benefits	161,103	164,889	164,889	<b>195,249</b>	200,130	205,133
725.000	OPEB Retiree Health Care Trust	31,983	17,880	17,880	<b>16,560</b>	17,000	17,500
727.000	Office Supplies	5,712	5,600	5,600	<b>5,600</b>	5,600	5,600
740.000	Operating Expense	38,833	44,900	44,900	<b>48,000</b>	49,200	50,430
740.100	Cash Drawer +/-	379	-	-	-	-	-
801.000	Professional Services	513,726	316,590	316,590	<b>466,290</b>	470,000	470,000
802.000	Contractual Services	102,594	105,539	105,539	<b>121,271</b>	118,903	121,876
807.000	Auditor	30,720	40,000	40,000	<b>45,000</b>	46,125	47,278
817.000	Planning Consultant	54,029	40,000	40,000	<b>55,000</b>	56,375	57,784
818.000	Elections	40,533	17,000	17,000	<b>17,000</b>	17,425	17,861
820.000	Computers	18,873	21,000	21,000	<b>15,000</b>	15,375	15,759
826.000	Legal Fees	67,135	70,000	70,000	<b>75,000</b>	76,875	78,797
830.000	Memberships & Dues	12,894	13,380	13,380	<b>13,380</b>	13,715	14,057
853.000	Telephone	15,145	12,835	12,835	<b>16,000</b>	16,400	16,810
861.000	Transportation & Mileage	398	5,600	5,600	<b>5,000</b>	5,125	5,253
863.000	Vehicle Maintenance	-	-	-	<b>500</b>	513	525
880.000	Community Promotions	68,574	94,500	94,500	<b>96,000</b>	98,400	100,860
888.000	Grant Expenditures	27,549	-	-	-	-	-
900.000	Printing	4,551	7,000	7,000	<b>7,000</b>	7,175	7,354
900.100	Publishing	5,709	6,000	6,000	<b>11,000</b>	11,275	11,557
910.000	Insurance & Bonds	51,351	57,000	57,000	<b>57,000</b>	58,425	59,886
920.000	Utilities	28,970	26,650	26,650	<b>27,000</b>	27,675	28,367
931.000	Building Maintenance	3,532	3,000	3,000	<b>3,000</b>	3,075	3,152
957.000	Education/Training	2,451	7,000	7,000	<b>6,000</b>	6,150	6,304
962.000	Miscellaneous Expense	418	1,000	1,000	<b>1,000</b>	1,025	1,051
969.000	Contribution to Community Schools	1,119	-	-	-	-	-
969.200	Contribution-Solid Waste	25,466	43,000	43,000	<b>43,000</b>	44,075	45,177
969.280	Transfer Out to D.D.A.	-	4,000	4,000	<b>4,000</b>	-	-
969.300	Contribution-Comm Schools--A/V Equip.	-	20,000	20,000	-	-	-
970.000	Capital Improvements	1,697	-	-	-	-	-
971.100	Beautification	2,866	6,000	6,000	<b>5,000</b>	5,125	5,253
974.100	Rental Properties	-	-	-	-	-	-
977.000	Equipment Miscellaneous	-	500	500	<b>2,500</b>	2,563	2,627
	<b>TOTAL</b>	<b>1,738,289</b>	<b>1,535,992</b>	<b>1,535,992</b>	<b>1,760,522</b>	<b>1,786,974</b>	<b>1,819,834</b>
Printed:	5/9/2022						

## **Administrative**

### **702 – Wages/Salaries**

**\$403,172**

Administration includes the City Manager, City Clerk/Treasurer, Deputy Clerk/Treasurer, Finance and Benefit Administrator, Accounting/Utility Billing Clerk, (shared with Water & Sewer Dept) Part-time Code Enforcement Officer, Department Clerical and Economic Development Director.

### **715-720 – Fringe Benefits**

**\$195,249**

Fringe Benefits includes the cost of providing all full-time administrative employees with FICA, medical, optical, dental and life insurance, retirement, disability, workers' compensation, unemployment and longevity.

### **725 – OPEB Retiree Health are Trust**

**\$16,560**

\$500 per month insurance payment toward retiree health care costs for one former employee. \$1,600 per (6) active administrative employees with funds placed in a Trust to pay future retiree health care obligations. \$960 for 60% service split of Accounting/Utility Billing Clerk costs.

### **727 – Office Supplies**

**\$5,600**

Consumable office supplies such as paper, pens, staples, etc. are covered in this line item.

### **740 – Operating Expense**

**\$48,000**

Operating Expense covers all purchases such as paper products, minor repairs, etc. for the general operation of City Hall. Included within the line item are expenditures for previous value changes based on State Tax Commission orders for various parcels. Also included in this line item is postage for various mailings.

### **801 – Professional Services**

**\$466,290**

Professional Services include, but are not limited to:

▪ Mailing and Tax Bill printing	\$ 2,840
▪ Web site hosting	\$ 3,950
▪ ADP Payroll Services	\$ 6,000
▪ Pay Local Taxes fees (Note: these funds are reimbursed)	\$ 500
▪ Video taping of Council Meetings: The City currently pays \$75 per meeting for the video taping of every Council meeting. There are many residents who rely on this service to stay informed about what is happening in the community.	\$ 1,800
▪ Safebuilt	\$ 450,000
▪ Bank fees	\$ 1,200
	\$ 466,290

**802 – Contractual Services****\$ 121,271**

Included in this line item are costs related to miscellaneous equipment contracts and service agreements. These include, but are not limited to:

▪ Copier lease and service	\$ 11,275
▪ Postage meter & mailing equipment rental: \$230.85 per month	\$ 2,780
▪ Computer Services Agreement & Remote Back-up	\$ 14,200
▪ Mechanical Equipment Maintenance Agreement	\$ 1,512
▪ BS&A	\$ 4,270
▪ Elevator Maintenance	\$ 1,725
▪ Oakland County Computers: BS&A Software for tax and special assessment system. The annual fee is the City's parcel count X \$ .14 per parcel plus a \$143 fee per connection (we currently have three).	\$ 1,821
▪ In August 2005, the City entered into an agreement for Assessing Services with Oakland County Equalization Division. Our current contract expires 6/30/2022 and calls for a payment of \$15.16 for each real property and \$12.42 for each personal property. The City currently has 3970 real properties and 368 personal properties. In addition, the City pays \$6.24 per unit at Colonial Acres which has approximately 840 units. The new contract is expected to increase by 4%.	\$ 72,800
▪ Municode	\$ 7,000
▪ Arbor Springs	\$ 1,534
▪ Terminix	\$ 1,270
▪ Wow Cable	\$ 660
▪ D&G Nature's Way Lawn Care	\$ 424
	\$ 121,271

**807 – Auditor****\$45,000**

Each year, the City's auditing firm, Plante & Moran, conducts an audit of the basic financial statements in accordance with generally accepted auditing standards and Government Auditing Standards issued by the Comptroller General of the United States. The fee is based on the time required to complete the work plus any related costs. Within the FY 2022-2023 budget, we are expecting to have a Single Audit conducted based on meeting the federal grant monies threshold.

**817 – Planning Consultant****\$55,000**

The City contracts with CIB Planning, the monthly retainer is \$600. Includes office hours for in house Planning Consultant.

**818 – Elections****\$17,000**

The 2022 Election cycle will consist of an August Primary Election and a November General Election. Expenditures include ballot printing and programming of equipment, absentee applications and ballot mailing, election inspector pay, etc. The current rate of pay for Inspectors is \$12 per hour and Chairpersons is \$14.00 an hour.

**820 – Computer****\$15,000**

Each year, we attempt to replace some of the older computer equipment. Within this budget year, we are budgeting to replace two of our oldest computers

**826 – Legal Professional Service****\$75,000**

The City Attorney's retainer and any additional legal costs are included in this line item.

**830 – Membership/Dues****\$13,380**

The City and its staff belong to various professional organizations. This includes, but is not limited to:

▪ Michigan Municipal League, whose fee is based on State Shared revenues	\$ 4,000
▪ Southeast Michigan Council of Governments	\$ 1,800
▪ Traffic Improvement Association	\$ 3,150
▪ Chamber of Commerce	\$ 345
▪ Munetrix (Dashboard)	\$ 2,985
▪ City Manager's associations, City Clerk and Treasurer's associations, etc.	\$ 1,100
	\$ 13,380

**853 – Telephone****\$16,000**

City Hall currently has six phone lines, one of which is specifically designated for water billing questions. This line item includes the cost for local and long distance calls on these six lines as well as cellular costs for the City Manager. This line item includes, Comcast phones, fax lines, internet line and ATT&T Mobile

**861 – Transportation/Mileage****\$5,000**

Monthly car allowance for the City Manager at a rate of \$450 per month is budgeted here, as well as mileage reimbursement to employees and Council Members who use their own vehicles during the course of business. Mileage reimbursement is paid at the Federal Standard Mileage rate.

**863- Vehicle Maintenance****\$500**

This line item includes maintenance for our Ordinance Officer's vehicle, such as oil changes, and minor repairs.

**880 – Community Promotions****\$96,000**

This line item provides for contributions to the following:

▪ Oakland County Probate Court/Oakland County Circuit Court – Family Division (Youth Assistance): Each year the City reviews and enters into an agreement with the South Lyon Area Youth Assistance for the support of services for the prevention of juvenile delinquency and neglect.	\$ 13,000
▪ South Lyon Community Schools - Senior Citizen Activities: The communities of South Lyon, Lyon Township and Green Oak Township join to support activities for our senior community including promotion of the programs through the mail at least three times per year, free services including medicare counseling, legal counseling, tax aid, monthly health screenings, as well as special workshops and educational classes for city residents. Annually, the City enters into an agreement with the South Lyon Schools to provide these programs and services for the fiscal year. Contributions are based on each participating municipality's percentage of per capita membership, averaged over the five preceding years.	\$ 43,000
▪ HAVEN: The purpose of HAVEN is to provide crisis intervention, shelter, advocacy and counseling for victims of domestic violence, sexual assault and child abuse. From time to time the South Lyon Police Department provides information about HAVEN as a resource, and the City does monitor information as to the number of residents and approximate location or quadrant of the City that is serviced by this organization (confidentiality is maintained by the Agency). Council approved \$5,000 for fiscal year 2019 using CDBG Funds	\$ 5,000
▪ South Lyon Area Recreation Authority: In January 2007 the South Lyon Area Recreation Council was re-formed as an Authority with the participating communities being South Lyon, Lyon Township and Green Oak Township. Contributions for support of the Authority are made by the jurisdictions based on the proportion of users of the Council's recreation programs. An additional amount is paid for the free swim program.	\$ 26,000
▪ Concerts in the Park	\$ 9,000
	\$ 96,000

**900 – Printing****\$7,000**

This covers the cost of the printing for all administration departments Building Department permit forms, assessment notices, business cards, letterhead, checks, envelopes, etc.

**900.100 – Publishing****\$11,000**

All advertisements in the South Lyon Herald for public hearings, employment opportunities, ordinance amendments, election notices etc. are included within this line item.

**910 – Insurance and Bonds****\$57,000**

The City is under contract with the Michigan Municipal Risk Management Authority (MMRMA) for property and liability insurance including City Hall and equipment, general liability, Treasurer's bond and public errors and omissions.

**920 – Utilities****\$27,000**

Utility costs including Consumers Energy and DTE for City Hall are budgeted within this line item. The DTE bill received by the City is for the entire building. The bill is divided by reading separate meters for the City's side of the building and the School's side of the building and the shared portion, and the total cost is split between the two entities.

**931 – Building Maintenance****\$3,000**

This includes any maintenance or minor improvements to City Hall. Also included within this line item are costs for cleaning supplies as well as lighting, electrical needs, and floor mats.

**957 – Education/Training****\$6,000**

From time to time City Hall personnel as well as Council and Board & Commission Members attend professional seminars and training on various topics related to their field. All costs associated with these functions are included within this line item.

**962 – Miscellaneous Expense****\$1,000**

The budgeted amount of \$1,000 is for miscellaneous items that are needed throughout the year and for things such as uniforms for the ordinance officer, and shirts for employees and council.

**969.200 – Contribution to Solid Waste****\$43,000**

The City annually contributes funds to RRRASOC for the City's portion of the RRRASOC Budget. These funds are based on an \$ .85 per capita contribution for General Administration and an additional \$ .375 per capita for the MRF participating communities. These amounts are based on 2000 Census figures. Also included is our contribution for any residents who may participate in the Household Hazardous Waste Days.

**969.280 – Transfer out to D.D.A.****\$4,000**

Contribution from City to D.D.A. for winter event.

**971.100 – Beautification****\$5,000**

In 2011, with the help of various non-profit groups, the City held its first Spring Clean-up day, which accomplished many projects to beautify the City of South Lyon. This is an annual project to beautify the City to maintain and improve the City's image.

**977 – Equipment Miscellaneous**

**\$2,500**

Funds to replace the office chairs in City Hall.

<b>101-690 GENERAL FUND OPERATION</b>							
<b>PARKS &amp; RECREATION</b>							
		Audited	Adopted	Amended	<b>Draft</b>	Proposed	Proposed
<b>Expenditure</b>	<b>Description</b>	<b>2020-2021</b>	<b>2021-2022</b>	<b>2021-2022</b>	<b>2022-2023</b>	<b>2023-2024</b>	<b>2024-2025</b>
702.000	Wages/Salaries	89,743	80,130	80,130	<b>108,941</b>	112,209	115,576
715.000	Fringe Benefits	26,827	48,138	48,138	<b>61,199</b>	62,729	64,297
740.000	Operating Expense	1,212	5,000	5,000	<b>5,000</b>	5,125	5,253
801.000	Professional Services	50,981	50,200	50,200	<b>55,200</b>	56,580	57,995
860.000	Gas & Oil	3,016	4,000	4,000	<b>4,000</b>	4,100	4,203
880.000	Community Promotions	-	1,200	1,200	<b>1,200</b>	1,230	1,261
910.000	Insurance & Bonds	899	1,000	1,000	<b>1,000</b>	1,025	1,051
920.000	Utilities	541	850	850	<b>850</b>	871	893
930.000	Repairs & Maintenance	6,924	20,750	20,750	<b>20,750</b>	21,269	21,800
940.000	Equipment Charges	11,025	11,025	11,025	<b>11,025</b>	11,025	11,025
962.000	Miscellaneous Expense	774	1,000	1,000	<b>1,000</b>	1,025	1,051
977.000	Equipment Purchases	-	500	500	<b>500</b>	513	525
978.000	Capital Improvements	33,075	96,700	96,700	<b>191,700</b>	196,493	201,405
	<b>TOTAL</b>	225,016	320,493	320,493	<b>462,365</b>	474,193	486,333
Printed:	5/9/2022						
* Current Cash on hand:							
	Operating	\$ 169,899.24					
	Capital Park Improvements	\$ 19,750.35		Lion's Club Donations			
			* as of 2/28/2022				

## **PARKS AND RECREATION DEPARTMENT**

### **702 - Wages & Salaries**

**\$108,941**

This is the anticipated wage cost to maintain the City parks.

### **715-721 - Fringe Benefits**

**\$61,199**

This account is tied directly to the number of man-hours provided by the full-time employees of the Department of Public Works (DPW). This account covers all payroll taxes, retirement contributions, insurance premiums, uniforms, boots, cost of living payments, etc. It is directly related to wages and salaries, and the benefits are based upon payroll data.

### **740 - Operating Expense**

**\$5,000**

This account is for consumable items used in groundskeeping such as chlorine and antifoaming agents required for the fountain at Paul F. Baker Park. The antifoaming agent is used when soap is placed in the fountain. Cleaning and toiletry items utilized at the McHattie Park restrooms.

### **801 - Professional Services**

**\$55,200**

This account is for engineering and other professional services. The following services are provided by either another government agency or contractor:

Grading and dust control by Oakland County in Volunteer Park	\$ 5,100
Fertilization of Volunteer Park	\$ 5,100
Demo 464 S Lafayette	\$40,000
Port-a-John Rental	<u>\$ 5,000</u>
	\$55,200

### **860 - Gas & Oil**

**\$4,000**

Approximately 1,700 gallons of diesel fuel and 20 gallons of gasoline are consumed performing park maintenance.

### **880 - Community Promotion**

**\$1,200**

This line item is for Oakland County's mobile parks program or other programs that become available.

### **910 - Insurance and Bonds**

**\$1,000**

This amount is the estimated premium for park grounds and facilities insurance.

### **920 - Utility Expense**

**\$850**

This includes lighting at McHattie Park for the volleyball court and skating rink, the lights and fountain at Paul Baker Park, and the sprinkler system in Volunteer Park. This amount varies due to weather and the ability to create a skating rink. The lights are turned off if the skating rink is not open.

**930 - Repair and Maintenance****\$20,750**

The amount budgeted is for maintenance of existing equipment and minor electrical repairs, sand and replacement nets for the volleyball courts, grass seed, fertilizers, paint and repair parts for the playground equipment, trash cans/liners for the picnic areas, hay bales for the sledding hill, small equipment rental, and supplies for the comfort station. This also covers maintenance along the trail system which includes replacement waste containers, repairs to gazebos and benches, and other repairs along the trail. The majority of the repairs are due to vandalism.

Bike Path Maintenance	\$ 5,000
Pump Maintenance (Baker Park)	\$ 1,750
Mulch	\$ 10,000
Sand (Volleyball Ct./Baseball Diamonds)	\$ 4,000
	<u>\$20,750</u>

**940 - Equipment Charges****\$11,025**

This account is used to reimburse the Vehicle & Equipment Replacement Fund for future equipment purchases.

**962 - Miscellaneous Expense****\$1,000**

This is for miscellaneous items needed to maintain the parks and trail system.

**977 - Equipment Purchases****\$500**

This line item is used for the purchase of weed whips and other small equipment needed for maintenance of the parks.

**978 - Capital Improvements****\$191,700**

Also budgeted here is for replacement of playground equipment and development for the parks.

Phase I S. Lafayette Park	\$ 45,000
Volunteer Park Field Development	\$100,000
Develop Parking Area @ McHattie Park	\$ 20,000
Equipment @ McHattie Park	\$ 16,000
Paul Baker Park	\$ 5,000
Columbia Park	\$ 5,000
Bridge Walk	<u>\$ 700</u>
	 \$191,700

101-820 GENERAL FUND OPERATION							
Veterans Memorial Project							
		Audited	Adopted	Amended	Draft	Proposed	Proposed
Expenditure	Description	2020-2021	2021-2022	2021-2022	2022-2023	2023-2024	2024-2025
740.000	Operating Expense	-	-	-	-	-	-
801.000	Professional Services	-	-	-	-	-	-
802.000	Contractual Services	-	-	-	-	-	-
880.000	Community Promotions	-	-	-	-	-	-
883.100	Installation & Maint.	1,959	-	-	-	-	-
962.000	Miscellaneous Expense	-	-	-	-	-	-
974.000	Land Improvements	7,539	9,000	9,000	7,500	-	-
	<b>TOTAL</b>	9,498	9,000	9,000	7,500	-	-
Printed:	5/9/2022						

## **Veterans Memorial Project**

### **974 – Land Improvements**

**\$ 7,500**

Improvement planning this year includes \$5,000 for electrical work and \$2,500 in labor and materials for a concrete pad for the First Responders Memorial that is located adjacent to the Veterans Memorial. The cost for the concrete and labor will be paid for by the City.

<b>280 DOWNTOWN DEVELOPMENT AUTHORITY</b>							
<b>OPERATING FUND</b>							
<b>Revenue</b>	<b>Description</b>	<b>Audited 2020-2021</b>	<b>Adopted 2021-2022</b>	<b>Amended 2021-2022</b>	<b>Draft 2022-2023</b>	<b>Proposed 2023-2024</b>	<b>Proposed 2024-2025</b>
402.000	Current Property Taxes (Captured)	54,862	51,705	51,705	<b>55,599</b>	56,989	58,414
664.000	Interest Income	21	100	100	-	-	-
674.300	Contribution - Gift Certificates	-	500	500	<b>500</b>	500	500
675.100	Contribution - FM Sponsorship Fees	6,273	7,350	7,350	<b>7,500</b>	7,500	7,500
675.200	Contribution - Winter Events	-	2,000	2,000	<b>6,000</b>	6,000	6,000
675.300	Ladies Night Out Sponsorship Fees	-	2,000	2,000	<b>4,000</b>	4,000	4,000
675.410	Contribution - FM Vendor Fees	6,721	6,000	6,000	<b>7,500</b>	7,500	7,500
675.700	Contribution - Street Banner	-	-	-	-	-	-
675.900	Contribution - Murals	-	5,000	5,000	<b>5,000</b>	5,000	5,000
676.101	Transfer In - General Fund	-	4,000	4,000	<b>4,000</b>	4,000	4,000
688.000	Patroncity Funds Economic Development	7,183	-	-	-	-	-
692.000	Grant Money	-	5,500	5,500	-	-	-
698.000	Miscellaneous	(7,631)	-	-	-	-	-
698.110	Contribution Business Directory	-	500	500	<b>500</b>	500	500
698.200	Contribution EV Charging Stations	-	-	-	<b>2,200</b>	-	-
	<b>Total Revenues</b>	<b>67,429</b>	<b>84,655</b>	<b>84,655</b>	<b>92,799</b>	<b>91,989</b>	<b>93,414</b>
<b>Expenditure</b>	<b>Description</b>	<b>Audited 2020-2021</b>	<b>Adopted 2021-2022</b>	<b>Amended 2021-2022</b>	<b>Draft 2022-2023</b>	<b>Proposed 2023-2024</b>	<b>Proposed 2024-2025</b>
702.200	Wages/Salaries	11,146	12,500	12,500	<b>12,500</b>	12,813	13,133
715.000	Fringe Benefits	-	-	-	-	-	-
740.000	Operating Expense	2,570	1,000	1,000	<b>2,500</b>	2,563	2,627
740.200	Seasonal Improvements	6,139	7,700	7,700	<b>8,250</b>	8,456	8,668
801.000	Professional Services	-	5,500	5,500	<b>6,500</b>	6,663	6,829
880.000	Community Promotion	1,083	2,500	2,500	<b>2,500</b>	2,563	2,627
880.100	Community Prom. CBD Winter	-	2,000	2,000	<b>2,000</b>	2,050	2,101
880.200	Community Promo. Design	-	7,500	7,500	<b>9,000</b>	9,225	9,456
880.400	Community Events	669	8,850	8,850	<b>14,500</b>	14,863	15,234
880.500	Community Promo. Gift Certificate	-	500	500	<b>500</b>	513	525
888.000	Grant Expenditures	11,992	5,500	5,500	-	-	-
900.000	Printing/Publishing	2,945	5,600	5,600	<b>6,500</b>	6,663	6,829
957.000	Education & Training	1,534	4,000	4,000	<b>4,000</b>	4,100	4,203
962.000	Miscellaneous Expense	(4,865)	1,000	1,000	<b>1,000</b>	1,025	1,051
969.101	Transfer to General Fund	-	-	-	-	-	-
970.000	Capital Improvements	1,955	15,000	15,000	<b>18,700</b>	19,168	19,647
	<b>Total Expenditures</b>	<b>35,169</b>	<b>79,150</b>	<b>79,150</b>	<b>88,450</b>	<b>90,661</b>	<b>92,928</b>
	<b>BEGINNING FUND BALANCE</b>	<b>29,399</b>	<b>61,659</b>	<b>61,659</b>	<b>67,164</b>	<b>71,513</b>	<b>72,840</b>
	<b>TOTAL FISCAL YEAR REVENUES</b>	<b>67,429</b>	<b>84,655</b>	<b>84,655</b>	<b>92,799</b>	<b>91,989</b>	<b>93,414</b>
	<b>TOTAL EXPENDITURES</b>	<b>35,169</b>	<b>79,150</b>	<b>79,150</b>	<b>88,450</b>	<b>90,661</b>	<b>92,928</b>
	<b>ENDING FUND BALANCE</b>	<b>61,659</b>	<b>67,164</b>	<b>67,164</b>	<b>71,513</b>	<b>72,840</b>	<b>73,326</b>
Printed:	5/9/2022						

## DDA REVENUE

### **402 – Current Property Taxes (Captured)** **\$55,599**

Tax Increment Financing (TIF) revenue is generated by the increase in value of the district (from the base year 2000) from all tax jurisdictions and all properties within the boundary of the DDA district. Oakland County Equalization will have a final estimate for TIF increase and total TIF revenue for 2022/2023 at the end of March after all Board of Review activity. Current estimate is based on a 6% increase from 2021-2022 fiscal year.

### **664 - Interest Income** **None**

The final amount of estimated interest on TIF tax capture to be determined after receipt of final information from Oakland County Equalization.

### **674.300 – Contribution – Gift Certificates** **\$500**

Revenue generated by individuals purchasing downtown gift certificates. This revenue will be used to reimburse businesses for gift certificates that are redeemed in their store.

### **675 – Contribution – Private Sources** **None**

### **675.100 – Contribution – FM Sponsorship Fees** **\$7,500**

Revenue from Farmers Market sponsorship fees. Sponsorship planning is currently in progress by the Farmers Market Manager and the DDA Executive Director for the 2022 market season (May – October 2022).

### **675.200 – Contribution – Winter Events** **\$6,000**

Revenues expected from local business sponsors for the Mardi Gras and Holiday Spectacular events.

### **675.300 – Contribution – Ladies Night Out Sponsorship Fees** **\$4,000**

Revenues from Ladies Night Out sponsorship fees for May and November.

### **675.410 – Contribution – FM Vendor Fees** **\$7,500**

Revenue from vendor fees at the Farmers Market. Projected revenues for 2022-2023 are a conservative estimate based on a 25% increase in vendor fees along with a 30% discount for seasonal vendors.

### **675.900 – Contribution – Murals** **\$5,000**

Private donations will be sought for the installation of murals in the downtown.

<b>307 - 2003 WASTEWATER TREATMENT PLANT BONDS</b>							
	<b>State Revolving Fund</b>						
<b>Revenue</b>	<b>Description</b>	<b>Audited 2020-2021</b>	<b>Adopted 2021-2022</b>	<b>Amended 2021-2022</b>	<b>Draft 2022-2023</b>	<b>Proposed 2023-2024</b>	<b>Proposed 2024-2025</b>
402.000	Current Property Tax	1,197,391	1,251,431	1,251,431	<b>1,345,673</b>	1,372,586	1,400,038
574.600	State Shared Revenues						
664.000	Interest Income	174	1,000	1,000	<b>75</b>	75	75
676.592	Contribution-Comb. Water & Sewer Fund						
676.401	Contribution Cap. Equip.						
373.369	Contribution Bldg Auth						
	Transfer in from WW System						
	<b>TOTAL REVENUES</b>	<b>1,197,565</b>	<b>1,252,431</b>	<b>1,252,431</b>	<b>1,345,748</b>	<b>1,372,661</b>	<b>1,400,113</b>
<b>Expenditure</b>	<b>Description</b>	<b>Audited 2020-2021</b>	<b>Adopted 2021-2022</b>	<b>Amended 2021-2022</b>	<b>Adopted 2022-2023</b>	<b>Proposed 2023-2024</b>	<b>Proposed 2024-2025</b>
990.100	Debt-Principal	950,000	975,000	975,000	<b>1,000,000</b>	1,025,000	1,050,000
995.100	Debt-Interest	133,998	115,872	115,872	<b>91,184</b>	65,872	39,934
999.000	Paying Agent Fees	-	750	750	<b>750</b>		
	<b>TOTAL EXPENDITURES</b>	<b>1,083,998</b>	<b>1,091,622</b>	<b>1,091,622</b>	<b>1,091,934</b>	<b>1,090,872</b>	<b>1,089,934</b>
	<b>BEGINNING FUND BALANCE</b>	<b>733,665</b>	<b>847,232</b>	<b>847,232</b>	<b>1,008,041</b>	<b>1,261,854</b>	<b>1,543,644</b>
	<b>TOTAL FISCAL YEAR REVENUES</b>	<b>1,197,565</b>	<b>1,252,431</b>	<b>1,252,431</b>	<b>1,345,748</b>	<b>1,372,661</b>	<b>1,400,113</b>
	<b>TOTAL EXPENDITURES</b>	<b>1,083,998</b>	<b>1,091,622</b>	<b>1,091,622</b>	<b>1,091,934</b>	<b>1,090,872</b>	<b>1,089,934</b>
	<b>ENDING FUND BALANCE</b>	<b>847,232</b>	<b>1,008,041</b>	<b>1,008,041</b>	<b>1,261,854</b>	<b>1,543,644</b>	<b>1,853,822</b>
Printed:	5/9/2022						
	Bond Paid Off FY 25-26						

## 2003 Wastewater Treatment Plant Bonds

### REVENUE

<b><u>402 – Current Property Tax</u></b>	<b>\$1,345,673</b>
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Funds collected through property taxes assessed at 3 Mill per \$1,000 of valuation.  
Collected through property taxes.

<b><u>664 – Interest Income</u></b>	<b>\$75</b>
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Revenue earned for funds held in money market account at bank.

### EXPENSES

<b><u>990.100 - Debt-Principal</u></b>	<b>\$1,000,000</b>
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The funds allocated within this account are designated for payment of the annual principal balance due on the bond.

<b><u>995.100 - Debt-Interest</u></b>	<b>\$91,184</b>
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The funds allocated within this account are designated for payment of the biannual interest due on the bond.

<b><u>999 - Paying Agent Fees</u></b>	<b>\$750</b>
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The fees associated with the collection and distribution of the bond funds.

<b>401 CAPITAL IMPROVEMENT FUND</b>							
<b>REVENUES</b>							
<b>Revenue</b>	<b>Description</b>	<b>Audited 2020-2021</b>	<b>Adopted 2021-2022</b>	<b>Amended 2021-2022</b>	<b>Draft 2022-2023</b>	<b>Proposed 2023-2024</b>	<b>Proposed 2024-2025</b>
402.000	Current Property Tax Assigned from General Fund Operation	399,130	417,144	417,144	448,558	457,529	466,679
664.000	Interest Income	1,373	1,500	1,500	750	750	750
675.000	Contribution	-	-	-	100,000	-	-
	<b>TOTAL REVENUES</b>	400,503	418,644	418,644	549,308	458,279	467,429
	<b>BEGINNING FUND BALANCE</b>	1,908,279	2,051,812	2,105,456	2,159,100	1,468,407	1,926,686
	<b>TOTAL REVENUES</b>	400,503	418,644	418,644	549,308	458,279	467,429
	<b>TOTAL EXPENDITURES</b>	256,970	365,000	365,000	1,240,000	-	-
	<b>ENDING FUND BALANCE</b>	2,051,812	2,105,456	2,159,100	1,468,407	1,926,686	2,394,115
<b>EXPENDITURES</b>							
<b>Expenditure</b>	<b>Description</b>	<b>Audited 2020-2021</b>	<b>Adopted 2021-2022</b>	<b>Amended 2021-2022</b>	<b>Draft 2022-2023</b>	<b>Proposed 2023-2024</b>	<b>Proposed 2024-2025</b>
<b>451</b>							
801.000	Prof. Svcs.-Audit	2,120	-	-	-	-	-
801.001	Prof. Svcs - Whipple St. Lot	-	-	-	-	-	-
801.250	Prof. Svcs - Dixboro Road Project	-	-	-	-	-	-
802.000	Contractual Svcs.	-	-	-	-	-	-
802.190	Cont. Svcs.-Safe Routes to School	-	35,000	35,000	55,000	-	-
802.222	Prof. Svcs - City Hall Building Improvements	-	-	-	735,000	-	-
802.500	Prof. Svcs.-DPW - Yard Paving	254,850	250,000	250,000	250,000	-	-
802.600	Cont. Svcs. - Pathways	-	80,000	80,000	200,000	-	-
802.700	Cont. Svcs - Police Dept. Roof	-	-	-	-	-	-
969.509	Contribution Transfer to Land Acq.	-	-	-	-	-	-
971.000	Land	-	-	-	-	-	-
	<b>TOTAL EXPENDITURES</b>	256,970	365,000	365,000	1,240,000	-	-
Printed:	5/9/2022						

## CAPITAL IMPROVEMENT FUND

### REVENUES

**402 – Current Property Tax** **\$448,558**

General Fund Operation property taxes assigned 1 mill per \$1,000 of valuation.  
Collected through property taxes.

**664 – Interest Income** **\$ 750**

Revenue earned for funds held in money market account at bank.

**675 – Contribution** **\$100,000**

Grant revenue for the trailways system.

### EXPENDITURES

**802.190 – Cont. Svcs. - Safe Routes to School** **\$55,000**

The funds allocated in this account will be for the improvements in crosswalks in the area of Marjorie Ann and Pontiac Trail.

**802.222 – Cont. Svcs. – City Hall Building Improvements** **\$735,000**

The funds allocated in this account will be for the improvements to the City Hall building. This will be a collaborative effort with South Lyon Community Schools.

**802.500 – Cont. Svcs. - DPW - Yard Improvements** **\$250,000**

The funds allocated in this account will be for the improvements in the DPW Yard, which will include the second phase of the paving project, and the installation of a cold storage structure.

**802.600 – Cont. Svcs – Pathways/Trailway Improvement** **\$200,000**

The funds allocated in this account will be for the improvements to the trailways system in South Lyon.

# **AGENDA NOTE**

## **New Business # 1**

**MEETING DATE:** May 23, 2022

**PERSON PLACING ITEM ON AGENDA:** Patricia Tiernan, Finance and Benefit Administrator

**AGENDA TOPIC:** GASB 75 / Actuarial Services Agreement

**EXPLANATION OF TOPIC:** The City of South Lyon will engage The Howard E. Nyhart Company, Inc. to collect data and prepare a comprehensive actuarial valuation report based on upon the requirements of GASB 75 for Fiscal Years ending June 30, 2022 and June 30, 2023.

**MATERIALS ATTACHED AS SUPPORTING DOCUMENTS:** Service Agreement provided by The Howard E. Nyhart Company, Inc.

**POSSIBLE COURSES OF ACTION:** Approve or not approve the Service Agreement by The Howard E. Nyhart Company, Inc. to provide actuarial services for the City of South Lyon for Fiscal Years ending June 30, 2022 and June 30, 2023.

**SUGGESTED MOTION:** Motion by \_\_\_\_\_, supported by \_\_\_\_\_ to approve the Service Agreement by The Howard E. Nyhart Company, Inc. to provide GASB 75 actuarial services for the City of South Lyon for Fiscal Years ending June 30, 2022 and June 30, 2023.



**THE HOWARD E. NYHART COMPANY, INC. ("NYHART")  
SERVICE AGREEMENT ("AGREEMENT")**

**Agreement Between Nyhart, and:**

<b>Client Name:</b>	City of South Lyon
<b>Primary Contact Name:</b>	Paul C. Zelenak
<b>Primary Contact Address:</b>	335 S. Warren
	South Lyon, MI 48178
<b>Primary Contact Phone:</b>	(248) 437-1735
<b>Primary Contact Fax:</b>	(348) 437-0463
<b>Primary Contact Email:</b>	PZelenak@southlyonmi.org

**Services to be provided by Nyhart**

All services to be provided by Nyhart are subject to your full cooperation and prompt submission of complete and accurate information. Nyhart will rely on any and all information that you provide pursuant to this Agreement and on file at our office as to accuracy and completeness. Nyhart will have no responsibility to verify such information and no liability for errors or omissions as a result of relying on such information, except to the extent required by generally accepted professional standards and practices. Nyhart is not a law firm or a public accounting firm and does not provide legal or tax advice.

For the fiscal year ending June 30, 2022, Nyhart will provide the following actuarial services:

1. Data collection (including census data) and analysis
2. Preparation of a comprehensive actuarial valuation report
3. Disclosures as required by GASB 75
4. An appendix within the GASB 75 report, which will include required figures as calculated under the PA 202 uniform assumptions. This does not include any modeling for corrective action plans. If modeling is required, an additional fee will be proposed under a separate engagement.
5. New Entrant Normal Cost for active employees hired after June 30, 2021 (if requested)

For the fiscal year ending June 30, 2023, Nyhart will provide the following actuarial services:

1. Interim GASB 75 actuarial valuation report
2. An appendix within the GASB 75 report, which will include required figures as calculated under the PA 202 uniform assumptions.
3. New Entrant Normal Cost for active employees hired after June 30, 2022 (if requested)

**Fees for services provided by Nyhart**

FYE	Valuation Types	Fees
6/30/2022	Full GASB 75 Actuarial Valuation	\$2,900
	PA 202 Uniform Assumptions Disclosure	\$550
	New Entrant Normal Cost Exhibit (if requested)	\$300
6/30/2023	Interim GASB 75 Actuarial Valuation	\$2,900
	PA 202 Uniform Assumptions Disclosure	\$550
	New Entrant Normal Cost Exhibit (if requested)	\$300

If a GASB results breakdown by employee groups is required additional fees will apply. The additional cost will be a 10% of project fee increase for a two group breakdowns plus an additional 1% for each extra group breakdown requested. The additional fee will be limited to 1/3 of the current year's fees.

The fee for the interim GASB 75 report will be revised if there have been any significant events subsequent to our last full update. Examples of significant events include, but are not limited to, large premium rate and enrollment changes, material benefit design amendments, and participant contribution policy modification.

Client will be invoiced prior to the beginning of the project for 50% of the estimated fees for services outlined above. Once the labor accrued towards completion of the services exceeds 50% of the estimated fees, billing will occur monthly until the completion of the project. Each invoice is due upon receipt. If any invoice remains unpaid for longer than 90 days from the date of the invoice, Nyhart may either suspend the provision of the Services until payment is received, or terminate this Agreement with immediate effect. Failure of Nyhart to exercise any remedy set forth above shall not prevent Nyhart from doing so with respect to any future unpaid invoice or taking any other actions available to Nyhart under law.

Please select the method of delivery of your invoice:

- ☐ I would like my invoice sent electronically to the primary contact's email address.
- ☐ I would like my invoice sent via regular mail to the attention of the primary contact at the address shown on the first page.

For an alternative invoice recipient, please provide their information below. If this section is left blank, we will send the invoice to the primary contact's email address on file or address shown above.

Invoice recipient name \_\_\_\_\_

Invoice recipient email address \_\_\_\_\_

Invoice recipient address \_\_\_\_\_

There will be additional fees for revisions to preliminary or final results that are due to:

- Incorrect information provided to us, typical examples include to material changes to census data, changes to eligibility requirements or employer subsidies. The additional fee will be limited to 1/3 of the current year's fee for this type of revision.
- Changes to actuarial assumptions requested by the client that are expected to need more than four hours of labor to update the results. The additional fee will be based on billed labor in excess of four hours at our current hourly rates.

### **Additional services available if requested by Client**

In addition to GASB valuation services, Nyhart offers the following additional services. Fee estimates will be provided upon request. Please visit [www.nyhart.com](http://www.nyhart.com) or contact your Nyhart consultant for more information.

- Health Care Reform financial impact consulting
- Actuarial Value and Minimum Value determination
- Section 105(h) non-discrimination testing
- Calculation of self-funded and COBRA premium rates
- Incurred But Not Reported (IBNR) Reserve calculations
- Medicare Part D Attestation
- What-if Modeling for health plan design and carrier changes
- Defined Benefit & Pension consulting and administration
- Defined Contribution, 401(k) & 403(b)
- Flex Accounts – FSA, HRA, & HSA consulting and administration

### **Relationship of the Parties**

The legal relationship between Client and Nyhart shall be exclusively that of principal and agent. The parties hereto specifically agree and acknowledge that Nyhart shall not:

- Have discretionary authority over any aspect of the services;
- Be a fiduciary;
- Exercise discretion as to any function; or
- Have any obligation to perform any service not specified in this Agreement or otherwise agreed to in writing by the parties (regardless of whether such service may be considered “customary” services to be provided by Nyhart).

Client agrees that Nyhart shall use all information and data supplied by or on behalf of the Client without having independently verified the accuracy or completeness of it except to the extent required by generally accepted professional standards and practices. If any documentation or information supplied to Nyhart at any time is incomplete, inaccurate or not up-to-date, or its provision is unreasonably delayed, Nyhart will not be responsible for any delays or liability arising therefrom, and will be entitled to charge the Client in respect of any resulting additional work actually carried out.

The Client further understands that the failure to provide, or cause to provide, complete, accurate, up-to-date, and timely documentation and information to Nyhart, whether intentional or by error, could result in an impairment of Nyhart's services.

### **Client Responsibilities and Representations**

The Client has general responsibilities with respect to the Plan, including

- Providing all information required by Nyhart to perform its services under this Agreement on a timely basis; and
- Serving as fiduciary.

### **Dispute Resolution**

Nyhart and Client agree that before commencing any action or proceeding with respect to any dispute between the parties arising out of or relating to this Agreement or the Services they first shall attempt to settle such dispute through

consultation and negotiation in good faith and in a spirit of mutual cooperation. Any such dispute will be submitted in writing to a panel of one (1) senior executive or official of each of Nyhart and Client, who will promptly meet and confer in an effort to resolve such dispute. Each party's representative will be identified by notice to the other, and may be changed at any time thereafter by notice to the other. Any mutually agreed decisions of the executives will be final and binding on the parties. In the event the executives are unable to resolve any dispute within thirty (30) days after submission to them, either party may then refer such dispute to mediation by a mutually acceptable mediator to be chosen by Nyhart and Client within forty-five (45) days after written notice by either party demanding mediation. Neither party may unreasonably withhold consent to the selection of a mediator. All communications and discussions in furtherance of this paragraph shall be treated as confidential settlement negotiations, which are not subject to discovery. The costs of the mediator shall be shared equally, but each party shall pay its own attorneys' fees.

Any dispute which cannot be resolved between the parties through negotiation, mediation or other form of alternative dispute resolution within six months of the date of the initial demand for mediation by one of the parties may then be submitted to a court of competent jurisdiction. To facilitate an expeditious and economical judicial resolution of such dispute, Nyhart and Client agree to waive and not to demand a trial by jury, and not to include any employee, officer, director or trustee of either as a party, in any action, proceeding or counterclaim relating to such dispute. Nothing in this section will prevent either party from resorting to judicial proceedings if interim relief from a court is necessary to prevent serious and irreparable injury to that party or to others. Any claim, action or proceeding against Nyhart will be barred unless Client initiates the dispute resolution procedures outlined below within one year of first discovering the act, error or omission that is the basis for such claim.

### **Indemnification and Limitation of Liability**

Nyhart shall indemnify the Client from and against any and all claim, loss, liability or damage (including attorney's fees) which the Client may incur: (i) arising out of any material breach by Nyhart of any of its material obligations, representations or warranties contained in this Agreement; or (ii) arising out of Nyhart's negligence, gross negligence or willful, fraudulent, or criminal misconduct associated with its performance of services under this Agreement. The parties further recognize that clerical errors and variations may occur. When discovered, they will be corrected or adjusted by Nyhart, in accordance with its normal procedures, to the extent reasonable and possible.

### **Acceptance**

This Agreement is effective only when signed by all parties.

#### **City of South Lyon**

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

#### **Nyhart**

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

# AGENDA NOTE

New Business # 2

**MEETING DATE:** May 17, 2021

**PERSON PLACING ITEM ON AGENDA:** City Attorney

**AGENDA TOPIC:** Wow Cable Video Franchise Agreement

**EXPLANATION OF TOPIC:** We reviewed the Uniform Video Services Local Franchise Agreement that the City of South Lyon received from WOW. This is a boilerplate agreement issued by the State of Michigan, and local government franchising entities have no authority to modify them. Under state law, if the City fails to take action to approve the franchise, it is automatically deemed approved.

That said, WOW sent the Agreement with a couple of blanks for the City to fill in for the “Franchise Fee” and for the “PEG Fee.” Under state law, the City cannot charge WOW any more than it charges any other cable operator with franchises in the City. The City’s current franchise fee with WOW (or other cable providers with franchises in the City) is 5%, so that number was inserted in the first blank in Section VI.A. The City’s current PEG fee with other cable providers is \$-0-, so that number was inserted in the second set of blanks in Section VIII.

**MATERIALS ATTACHED AS SUPPORTING DOCUMENTS:** Uniform Video Services Local Franchise Agreement that the City of South Lyon received from WOW.

**POSSIBLE COURSES OF ACTION:** Approve / not approve the Uniform Video Services Local Franchise Agreement with WOW.

**SUGGESTED MOTION:** Motion by \_\_\_\_\_, supported by \_\_\_\_\_ to approve the Uniform Video Services Local Franchise Agreement with WOW.



380 Wright Industrial Parkway  
Pottersville, Michigan 48876

April 21, 2022

City of South Lyon  
335 S. Warren St.  
South Lyon, MI 48178

Dear Mr. Zelenak,

The Cable Communications System Franchise Agreement between the City of South Lyon and Millennium Digital Media, dated has expired. WOW! purchased MDM's Michigan system on January 13, 2012. Please find enclosed two copies of Michigan's *Uniform Video Service Local Franchise Agreement* for the City of South Lyon. Both copies are signed by Bryant Murray, WOW's Operations Manager. The first two pages are the instruction sheets from the Michigan Public Service Commission's website.

I have listed the section of the Agreement that requires the Board's action and affixed a "sign here" tab at each section.

Section VI. Fees, A., ii asks the City to enter a franchise fee from 0% to 5%. The City's current franchise fee is 5%. This amount is the percentage of the customer's bill (residing in the City) that is added to the customer's bill each month in the form of a franchise fee. WOW! collects these fees on behalf of the City and will begin sending these checks to the City quarterly.

**Section VIII. PEG Fees (Public, Education & Governmental access fees), 1, 2 and 3, is not applicable. You can either leave them blank or enter zeros (0).**

Page 9 of the Agreement and page 2 of Attachment 1 are signature pages. On page 9, *Date submitted* is the date you received the Agreement from WOW! and *Date completed and approved* is the date of the Board's action.

Please keep one copy of the Franchise agreements as the City's original. Then send one of the completed Agreements to my attention in the enclosed envelope as soon as it's complete. Please let me know if I can be of assistance. My direct phone in Pottersville is 517-319-3150.

Regards,

A handwritten signature in cursive script, appearing to read "Bryant Murray".

Bryant Murray  
[bryant.murray@wowinc.com](mailto:bryant.murray@wowinc.com)  
Phone (517) 319-3150

## INSTRUCTIONS FOR UNIFORM VIDEO SERVICE LOCAL FRANCHISE AGREEMENT

Pursuant to 2006 Public Act 480, MCL 484.3301 *et seq*, any Video Service Provider seeking to provide video service in one or more service areas in the state of Michigan after January 30, 2007, shall file an application for a Uniform Video Service Local Franchise Agreement with the Local Unit of Government ("Franchising Entity") that the Provider wishes to service. Pursuant to Section 2(2) of 2006 PA 480, "Except as otherwise provided by this Act, a person shall not provide video services in any local unit of government without first obtaining a uniform video service local franchise as provided under Section 3." Procedures applicable to incumbent video service providers are set forth below.

As of the effective date (January 1, 2007) of the Act, no existing franchise agreement with a Franchising Entity shall be renewed or extended upon the expiration date of the agreement. The incumbent video Provider, at its option, may continue to provide video services to the Franchising Entity by electing to do one of the following:

1. Terminate the existing franchise agreement before the expiration date of the agreement and enter into a new franchise under a uniform video service local franchise agreement.
2. Continue under the existing franchise agreement amended to include only those provisions required under a uniform video service local franchise.
3. Continue to operate under the terms of an expired franchise until a uniform video service local franchise agreement takes effect. An incumbent video Provider with an expired franchise on the effective date has 120 days after the effective date of the Act to file for a uniform video service local franchise agreement.

On the effective date (January 1, 2007) of the Act, any provisions of an existing Franchise that are inconsistent with or in addition to the provisions of a uniform video service local Franchise Agreement are unreasonable and unenforceable by the Franchising Entity.

If, at a subsequent date, the Provider would like to provide video service to an additional Local Unit of Government, the Provider must file an additional application with that Local Unit of Government.

### **The forms shall meet the following requirements:**

- The Provider must complete both the "Uniform Video Service Local Franchise Agreement" and "Attachment 1 - Uniform Video Service Local Franchise Agreement" forms if they are seeking a new/renewed Franchise Agreement, and send the forms by mail (certified, registered, first-class, return receipt requested, or by a nationally recognized overnight delivery service) to the appropriate Franchising Entity. Until otherwise officially notified by the Franchising Entity, the forms shall be sent to the Clerk or any official with the responsibilities or functions of the Clerk in the Franchising Entity. "Attachment 2 - Uniform Video Service Local Franchise Agreement" is not required to be filed at this time *unless* it is being used regarding amendments, terminations, or transfers pertaining to an existing Uniform Video Service Local Franchise Agreement. (Refer to Sections X to XII of the Agreement, as well as Section 3(4-6) of the Act.)
- Pursuant to Section 11 of the Act: Except under the terms of a mandatory protective order, trade secrets and commercial or financial information designated as such and submitted under the Act to the Franchising Entity or Commission are exempt from the Freedom of Information Act, 1976 PA 442, MCL 15.231 to 15.246 and **MUST BE KEPT CONFIDENTIAL**.
  1. The Provider may specify which items of information should be deemed "confidential." It is the responsibility of the provider to clearly identify and segregate any confidential information submitted to the franchising entity with the following information:

"[insert PROVIDER'S NAME]  
[CONFIDENTIAL INFORMATION]"

2. The Franchising Entity receiving the information so designated as confidential is required (a) to protect such information from public disclosure, (b) exempt such information from any response to a FOIA request, and (c) make the information available only to and for use only by such local officials as are necessary to approve the franchise agreement or perform any other task for which the information is submitted.
  3. Any Franchising Entity which disputes whether certain information submitted to it by a provider is entitled to confidential treatment under the Act may apply to the Commission for resolution of such a dispute. Unless and until the Commission determines that part or all of the information is not entitled to confidential treatment under the Act, the Franchising Entity shall keep the information confidential.
- Responses to all questions must be provided and must be amended appropriately when changes occur.
  - All responses must be printed out, typed, signed/dated (where appropriate), and mailed (certified, registered, first class, return receipt requested, or by a national recognized overnight delivery service) to the appropriate party.
  - The Agreement and Attachments are templates. Tab through the documents and fill in as appropriate, use the appropriate "dropdown box" (City/Village/Township) when indicated.
  - For sections that need explanation, if the Provider runs out of space, the Provider should then submit the application with typed attachments that are clearly identified.
  - The Franchising Entity shall notify the Provider as to whether the submitted Franchise Agreement is complete as required by this Act within 15 business days after the date that the Franchise Agreement is filed. If the Franchise Agreement is not complete, the Franchising Entity shall state in its notice the reasons the franchise agreement is incomplete. The Franchising Entity cannot declare an application to be incomplete because it may dispute whether or not the applicant has properly classified certain material as "confidential."
  - A Franchising Entity shall have 30 days after the submission date of a complete Franchise Agreement to approve the agreement. If the Franchising Entity does not notify the Provider regarding the completeness of the Franchise Agreement or approve the Franchise Agreement within the time periods required under this subsection, the franchise agreement shall be considered complete and the Franchise Agreement approved. The Provider shall notify both the Franchising Entity and the Michigan Public Service Commission of such an approved and completed Agreement by completing **Attachment 3 - Uniform Video Service Local Franchise Agreement**.
  - For changes to an existing Uniform Video Service Local Franchise Agreement (amendments, transfers, or terminations), the Provider must complete the "**Attachment 2 - Uniform Video Service Local Franchising Entity**" form, and send the form to the appropriate Franchising Entity.
  - For information that is to be submitted to the Michigan Public Service Commission, please use the following address:

Michigan Public Service Commission  
Attn: Video Franchising  
6545 Mercantile Way  
P.O. Box 30221  
Lansing, MI 48909

Fax: (517) 241-2400

Questions should be directed to the Service Quality Division, Michigan Public Service Commission at (517) 241-6100.

## UNIFORM VIDEO SERVICE LOCAL FRANCHISE AGREEMENT

THIS UNIFORM VIDEO SERVICE LOCAL FRANCHISE AGREEMENT ("Agreement") is made, pursuant to 2006 PA 480, MCL 484.3301 *et seq.* (the "Act") by and between the City of South Lyon, a Michigan municipal corporation (the "Franchising Entity"), and WideOpenWest Mid Michigan, LLC,, a Delaware corporation doing business as WOW Internet Cable Phone.

### I. Definitions

For purposes of this Agreement, the following terms shall have the following meanings as defined in the Act:

- A. "Cable Operator" means that terms as defined in 47 USC 522(5).
- B. "Cable Service" means that terms as defined in 47 USC 522(6).
- C. "Cable System" means that term as defined in 47 USC 522(7).
- D. "Commission" means the Michigan Public Service Commission.
- E. "Franchising Entity" means the local unit of government in which a provider offers video services through a franchise.
- F. "FCC" means the Federal Communications Commission.
- G. "Gross Revenue" means that term as described in Section 6(4) of the Act and in Section VI(D) of the Agreement.
- H. "Household" means a house, an apartment, a mobile home, or any other structure or part of a structure intended for residential occupancy as separate living quarters.
- I. "Incumbent video provider" means a cable operator serving cable subscribers or a telecommunication provider providing video services through the provider's existing telephone exchange boundaries in a particular franchise area within a local unit of government on the effective date of this act.
- J. "IPTV" means internet protocol television.
- K. "Local unit of government" means a city, village, or township.
- L. "Low-income household" means a household with an average annual household income of less than \$35,000.00 as determined by the most recent decennial census.
- M. "METRO Act" means the Metropolitan Extension Telecommunications Rights-of-Way Oversight Act, 2002 PA 48, MCL 484.3101 *et seq.*
- N. "Open video system" or "OVS" means that term as defined in 47 USC 573.
- O. "Person" means an individual, corporation, association, partnership, governmental entity, or any other legal entity.
- P. "Public rights-of-way" means the area on, below, or above a public roadway, highway, street, public sidewalk, alley, waterway, or utility easements dedicated for compatible uses.
- Q. "Term" means the period of time provided for in Section V of this Agreement.
- R. "Uniform video service local franchise agreement" or "franchise agreement" means the franchise agreement required under the Act to be the operating agreement between each franchising entity and video provider in this state.
- S. "Video programming" means that term as defined in 47 USC 522(20).
- T. "Video service" means video programming, cable services, IPTV, or OVS provided through facilities located at least in part in the public rights-of-way without regard to delivery technology, including internet protocol technology. This definition does not include any video programming provided by a commercial mobile service provider defined in 47 USC 332(d) or provided solely as part of, and via, a service that enables users to access content, information, electronic mail, or other services offered over the public internet.
- U. "Video service provider" or "Provider" means a person authorized under the Act to provide video service.
- V. "Video service provider fee" means the amount paid by a video service provider or incumbent video provider under Section 6 of the Act and Section VI of this Agreement.

## **II. Requirements of the Provider**

- A. An unfranchised Provider will not provide video services in any local unit of government without first obtaining a uniform video service local franchise agreement as provided under **Section 3 of the Act** (except as otherwise provided by the Act).
- B. The Provider shall file in a timely manner with the Federal Communications Commission all forms required by that agency in advance of offering video service in Michigan.
- C. The Provider agrees to comply with all valid and enforceable federal and state statutes and regulations.
- D. The Provider agrees to comply with all valid and enforceable local regulations regarding the use and occupation of public rights-of-way in the delivery of the video service, including the police powers of the Franchising Entity.
- E. The Provider shall comply with all Federal Communications Commission requirements involving the distribution and notification of federal, state, and local emergency messages over the emergency alert system applicable to cable operators.
- F. The Provider shall comply with the public, education, and government programming requirements of Section 4 of the Act.
- G. The Provider shall comply with all customer service rules of the Federal Communications Commission under 47 CFR 76.309 (c) applicable to cable operators and applicable provisions of the Michigan Consumer Protection Act, 1976 PA 331, MCL 445.901 to 445.922.
  - i. Including but not limited to: MCL 445.902; MCL 445.903 (1)(a) through 445.903(1)(cc); MCL 445.903(1)(ff) through (jj); MCL 445.903(2); MCL 445.905; MCL 445.906; MCL 445.907; MCL 445.908; MCL 445.910; MCL 445.911; MCL 445.914; MCL 445.915; MCL 445.916; MCL 445.918.
- H. The Provider agrees to comply with in-home wiring and consumer premises wiring rules of the Federal Communications Commission applicable to cable operators.
- I. The Provider shall comply with the Consumer Privacy Requirements of 47 USC 551 applicable to cable operators.
- J. If the Provider is an incumbent video provider, it shall comply with the terms which provide insurance for right-of-way related activities that are contained in its last cable franchise or consent agreement from the Franchising Entity entered before the effective date of the Act.
- K. The Provider agrees that before offering video services within the boundaries of a local unit of government, the video Provider shall enter into a Franchise Agreement with the local unit of government as required by the Act.
- L. The Provider understands that as the effective date of the Act, no existing Franchise Agreement with a Franchising Entity shall be renewed or extended upon the expiration date of the Agreement.
- M. The Provider provides an exact description of the video service area footprint to be served, pursuant to **Section 2(3)(e) of the Act**. If the Provider is not an incumbent video Provider, the date on which the Provider expects to provide video services in the area identified under **Section 2(3)(e) of the Act** must be noted. The Provider will provide this information in Attachment 1 - Uniform Video Service Local Franchise Agreement.
- N. The Provider is required to pay the Provider fees pursuant to **Section 6 of the Act**.

## **III. Provider Providing Access**

- A. The Provider shall not deny access to service to any group of potential residential subscribers because of the race or income of the residents in the local area in which the group resides.
- B. It is a defense to an alleged violation of Paragraph A if the Provider has met either of the following conditions:
  - i. Within 3 years of the date it began providing video service under the Act and the Agreement; at least 25% of households with access to the Provider's video service are low-income households.
  - ii. Within 5 years of the date it began providing video service under the Act and Agreement and from that point forward, at least 30% of the households with access to the Provider's video service are low-income households.
- C. [If the Provider is using telecommunication facilities] to provide video services and has more than 1,000,000 telecommunication access lines in Michigan, the Provider shall provide access to its video service to a number of households equal to at least 25% of the households in the provider's telecommunication

service area in Michigan within **3 years** of the date it began providing video service under the Act and Agreement and to a number not less than **50%** of these households within **6 years**. **The video service Provider is not required to meet the 50% requirement in this paragraph until 2 years after at least 30% of the households with access to the Provider's video service subscribe to the service for 6 consecutive months.**

- D. The Provider may apply to the Franchising Entity, and in the case of paragraph C, the Commission, for a waiver of or for an extension of time to meet the requirements of this section if 1 or more of the following apply:
- i. The inability to obtain access to public and private rights-of-way under reasonable terms and conditions.
  - ii. Developments or buildings not being subject to competition because of existing exclusive service arrangements.
  - iii. Developments or buildings being inaccessible using reasonable technical solutions under commercial reasonable terms and conditions.
  - iv. Natural disasters
  - v. Factors beyond the control of the Provider
- E. The Franchising Entity or Commission may grant the waiver or extension only if the Provider has made substantial and continuous effort to meet the requirements of this section. If an extension is granted, the Franchising Entity or Commission shall establish a new compliance deadline. If a waiver is granted, the Franchising Entity or Commission shall specify the requirement or requirements waived.
- F. The Provider shall file an annual report with the Franchising Entity and the Commission regarding the progress that has been made toward compliance with paragraphs B and C.
- G. Except for satellite service, the provider may satisfy the requirements of this paragraph and Section 9 of the Act through the use of alternative technology that offers service, functionality, and content, which is demonstrably similar to that provided through the provider's video service system and may include a technology that does not require the use of any public right-of-way. The technology utilized to comply with the requirements of this section shall include local public, education, and government channels and messages over the emergency alert system as required under Paragraph II(E) of this Agreement.

#### **IV. Responsibility of the Franchising Entity**

- A. The Franchising Entity hereby grants authority to the Provider to provide Video Service in the Video Service area footprint, as described in this Agreement and Attachments, as well as the Act.
- B. The Franchising Entity hereby grants authority to the Provider to use and occupy the Public Rights-of-way in the delivery of Video Service, subject to the laws of the state of Michigan and the police powers of the Franchising Entity.
- C. The Franchising Entity shall notify the Provider as to whether the submitted Franchise Agreement is complete as required by the Act within **15** business days after the date that the Franchise Agreement is filed. If the Franchise Agreement is not complete, the Franchising Entity shall state in its notice the reasons the Franchise Agreement is incomplete. The Franchising Entity cannot declare an application to be incomplete because it may dispute whether or not the applicant has properly classified certain material as "confidential."
- D. The Franchising Entity shall have **30** days after the submission date of a complete Franchise Agreement to approve the agreement. If the Franchising Entity does not notify the Provider regarding the completeness of the Franchise Agreement or approve the Franchise Agreement within the time periods required under **Section 3(3) of the Act**, the Franchise Agreement shall be considered complete and the Franchise Agreement approved.
- i. If time has expired for the Franchising Entity to notify the Provider, The Provider shall send (via mail: certified or registered, or by fax) notice to the Franchising Entity and the Commission, using Attachment 3 of this Agreement.
- E. The Franchising Entity shall allow a Provider to install, construct, and maintain a video service or communications network within a public right-of-way and shall provide the provider with open, comparable, nondiscriminatory, and competitively neutral access to the public right-of-way.
- F. The Franchising Entity may not discriminate against a video service provider to provide video service for any of the following:
- i. The authorization or placement of a video service or communications network in public right-of-way.
  - ii. Access to a building owned by a governmental entity.
  - iii. A municipal utility pole attachment.
- G. The Franchising Entity may impose on a Provider a permit fee only to the extent it imposes such a fee on incumbent video providers, and any fee shall not exceed the actual, direct costs incurred by the Franchising Entity for issuing the relevant permit. A fee under this section shall not be levied if the Provider already has

paid a permit fee of any kind in connection with the same activity that would otherwise be covered by the permit fee under this section or is otherwise authorized by law or contract to place the facilities used by the Provider in the public right-of-way or for general revenue purposes.

- H. The Franchising Entity shall not require the provider to obtain any other franchise, assess any other fee or charge, or impose any other franchise requirement than is allowed under the Act and this Agreement. For purposes of this Agreement, a franchise requirement includes but is not limited to, a provision regulating rates charged by video service providers, requiring the video service providers to satisfy any build-out requirements, or a requirement for the deployment of any facilities or equipment.
- I. Notwithstanding any other provision of the Act, the Provider shall not be required to comply with, and the Franchising Entity may not impose or enforce, any mandatory build-out or deployment provisions, schedules, or requirements except as required by **Section 9 of the Act**.
- J. The Franchising Entity is subject to the penalties provided for under Section 14 of the Act.

#### V. Term

- A. This Franchise Agreement shall be for a period of 10 years from the date it is issued. The date it is issued shall be calculated either by (a) the date the Franchising Entity approved the Agreement, provided it did so within 30 days after the submission of a complete franchise agreement, or (b) the date the Agreement is deemed approved pursuant to **Section 3(3) of the Act**, if the Franchising Entity either fails to notify the Provider regarding the completeness of the Agreement or approve the Agreement within the time periods required under that subsection.
- B. Before the expiration of the initial Franchise Agreement or any subsequent renewals, the Provider may apply for an additional 10-year renewal under **Section 3(7) of the Act**.

#### VI. Fees

- A. A video service Provider shall calculate and pay an annual video service provider fee to the Franchising Entity. The fee shall be 1 of the following:
  - i. If there is an existing Franchise Agreement, an amount equal to the percentage of gross revenue paid to the Franchising Entity by the incumbent video Provider with the largest number of subscribers in the Franchising Entity.  
At the expiration of an existing Franchise Agreement or if there is no existing Franchise Agreement, an amount equal to the percentage of gross revenue as established by the Franchising Entity of 5 % (percentage amount to be inserted by Franchising Entity which shall not exceed 5%) and shall be applicable to all providers
- B. The fee shall be due on a quarterly basis and paid within 45 days after the close of the quarter. Each payment shall include a statement explaining the basis for the calculation of the fee.
- C. The Franchising Entity shall not demand any additional fees or charges from a provider and shall not demand the use of any other calculation method other than allowed under the Act.
- D. For purposes of this Section, "gross revenues" means all consideration of any kind or nature, including, without limitation, cash, credits, property, and in-kind contributions received by the provider from subscribers for the provision of video service by the video service provider within the jurisdiction of the franchising entity.
  - 1. **Gross revenues shall include all of the following:**
    - i. All charges and fees paid by subscribers for the provision of video service, including equipment rental, late fees, insufficient funds fees, fees attributable to video service when sold individually or as part of a package or bundle, or functionally integrated, with services other than video service.
    - ii. Any franchise fee imposed on the Provider that is passed on to subscribers.
    - iii. Compensation received by the Provider for promotion or exhibition of any products or services over the video service.
    - iv. Revenue received by the Provider as compensation for carriage of video programming on that Provider's video service.
    - v. All revenue derived from compensation arrangements for advertising to the local franchise area.
    - vi. Any advertising commissions paid to an affiliated third party for video service advertising.
  - 2. **Gross revenues do not include any of the following:**
    - i. Any revenue not actually received, even if billed, such as bad debt net of any recoveries of bad debt.
    - ii. Refunds, rebates, credits, or discounts to subscribers or a municipality to the extent not already offset by subdivision (D)(i) and to the extent the refund, rebate, credit, or discount is attributable to the video service.

- iii. Any revenues received by the Provider or its affiliates from the provision of services or capabilities other than video service, including telecommunications services, information services, and services, capabilities, and applications that may be sold as part of a package or bundle, or functionality integrated, with video service.
  - iv. Any revenues received by the Provider or its affiliates for the provision of directory or internet advertising, including yellow pages, white pages, banner advertisement, and electronic publishing.
  - v. Any amounts attributable to the provision of video service to customers at no charge, including the provision of such service to public institutions without charge.
  - vi. Any tax, fee, or assessment of general applicability imposed on the customer or the transaction by a federal, state, or local government or any other governmental entity, collected by the Provider, and required to be remitted to the taxing entity, including sales and use taxes.
  - vii. Any forgone revenue from the provision of video service at no charge to any person, except that any forgone revenue exchanged for trades, barter, services, or other items of value shall be included in gross revenue.
  - viii. Sales of capital assets or surplus equipment.
  - ix. Reimbursement by programmers of marketing costs actually incurred by the Provider for the introduction of new programming.
  - x. The sale of video service for resale to the extent the purchaser certifies in writing that it will resell the service and pay a franchise fee with respect to the service.
- E. In the case of a video service that is bundled or integrated functionally with other services, capabilities, or applications, the portion of the video Provider's revenue attributable to the other services, capabilities, or applications shall be included in gross revenue unless the Provider can reasonably identify the division or exclusion of the revenue from its books and records that are kept in the regular course of business.
- F. Revenue of an affiliate shall be included in the calculation of gross revenues to the extent the treatment of the revenue as revenue of the affiliate has the effect of evading the payment of franchise fees which would otherwise be paid for video service.
- G. The Provider is entitled to a credit applied toward the fees due under **Section 6(1) of the Act** for all funds allocated to the Franchising Entity from annual maintenance fees paid by the provider for use of public rights-of-way, minus any property tax credit allowed under **Section 8 of the Metropolitan Extension Telecommunications Rights-of-Way Oversight Act (METRO Act)**, 2002 PA 48, MCL 484.3108. The credits shall be applied on a monthly pro rata basis beginning in the first month of each calendar year in which the Franchising Entity receives its allocation of funds. The credit allowed under this subsection shall be calculated by multiplying the number of linear feet occupied by the Provider in the public rights-of-way of the Franchising Entity by the lesser of 5 cents or the amount assessed under the **METRO Act**. The Provider is not eligible for a credit under this section unless the provider has taken all property tax credits allowed under the **METRO Act**.
- H. All determinations and computations made under this section shall be pursuant to generally accepted accounting principles.
- I. Any claims by a Franchising Entity that fees have not been paid as required under **Section 6 of the Act**, and any claims for refunds or other corrections to the remittance of the Provider shall be made within 3 years from the date the compensation is remitted.
- J. The Provider may identify and collect as a separate line item on the regular monthly bill of each subscriber an amount equal to the percentage established under **Section 6(1) of the Act**, applied against the amount of the subscriber's monthly bill.
- K. The Franchising Entity shall not demand any additional fees or charges from a Provider and shall not demand the use of any other calculation method other than allowed under the Act.

## **VII. Public, Education, and Government (PEG) Channels**

- A. The video service Provider shall designate a sufficient amount of capacity on its network to provide for the same number of public, education, and government access channels that are in actual use on the incumbent video provider system on the **effective date of the Act** or as provided under **Section 4(14) of the Act**.
- B. Any public, education, or government channel provided under this section that is not utilized by the Franchising Entity for at least 8 hours per day for 3 consecutive months may no longer be made available to the Franchising Entity and may be programmed at the Provider's discretion. At such a time as the Franchising Entity can certify a schedule for at least 8 hours of daily programming for a period of 3 consecutive months, the Provider shall restore the previously reallocated channel.
- C. The Franchising Entity shall ensure that all transmissions, content, or programming to be retransmitted by a video service Provider is provided in a manner or form that is capable of being accepted and retransmitted by a Provider, without requirement for additional alteration or change in the content by the Provider, over the

particular network of the Provider, which is compatible with the technology or protocol utilized by the Provider to deliver services.

- D. The person producing the broadcast is solely responsible for all content provided over designated public, education, or government channels. The video service Provider shall not exercise any editorial control over any programming on any channel designed for public, education, or government use.
- E. The video service Provider is not subject to any civil or criminal liability for any program carried on any channel designated for public, education, or government use.
- F. If a Franchising Entity seeks to utilize capacity pursuant to **Section 4(1) of the Act** or an agreement under **Section 13 of the Act** to provide access to video programming over one or more PEG channels, the Franchising Entity shall give the Provider a written request specifying the number of channels in actual use on the incumbent video provider's system or specified in the agreement entered into under **Section 13 of the Act**. The video service Provider shall have 90 days to begin providing access as requested by the Franchising Entity. The number and designation of PEG access channels shall be set forth in an addendum to this agreement effective 90 days after the request is submitted by the Franchising Entity.
- G. A PEG channel shall only be used for noncommercial purposes.

#### **VIII. PEG Fees**

- A. The video service Provider shall also pay to the Franchising Entity as support for the cost of PEG access facilities and services an annual fee equal to one of the following options:
  - 1. If there is an existing Franchise on the effective date of the Act, the fee (enter the fee amount 0) paid to the Franchising Entity by the incumbent video Provider with the largest number of cable service subscribers in the Franchising Entity as determined by the existing Franchise Agreement;
  - 2. At the expiration of the existing Franchise Agreement, the amount required under (1) above, which is 0 % of gross revenues. (The amount under (1) above is not to exceed 2% of gross revenues);
  - 3. If there is no existing Franchise Agreement, a percentage of gross revenues as established by the Franchising Entity and to be determined by a community need assessment, is \_\_\_\_\_ % of gross revenues. (The percentage that is established by the Franchising Entity is not to exceed 2% of gross revenues.); and
  - 4. An amount agreed to by the Franchising Entity and the video service Provider.
- B. The fee required by this section shall be applicable to all providers, pursuant to Section 6(9) of the Act.
- C. The fee shall be due on a quarterly basis and paid within 45 days after the close of the quarter. Each payment shall include a statement explaining the basis for the calculation of the fee.
- D. All determinations and computations made under this section shall be pursuant to generally accepted accounting principles.
- E. Any claims by a Franchising Entity that fees have not been paid as required under **Section 6 of the Act**, and any claims for refunds or other corrections to the remittance of the Provider shall be made within 3 years from the date the compensation is remitted.
- F. The Provider may identify and collect as a separate line item on the regular monthly bill of each subscriber an amount equal to the percentage established under **Section 6(8) of the Act**, applied against the amount of the subscriber's monthly bill.
- G. The Franchising Entity shall not demand any additional fees or charges from a Provider and shall not demand the use of any other calculation method other than allowed under the Act.

#### **IX. Audits**

- A. No more than every 24 months, a Franchising Entity may perform reasonable audits of the video service Provider's calculation of the fees paid under **Section 6 of the Act** to the Franchising Entity during the preceding 24-month period only. All records reasonably necessary for the audits shall be made available by the Provider at the location where the records are kept in the ordinary course of business. The Franchising Entity and the video service Provider shall each be responsible for their respective costs of the audit. Any additional amount due verified by the Franchising Entity shall be paid by the Provider within 30 days of the Franchising Entity's submission of invoice for the sum. If the sum exceeds 5% of the total fees which the audit determines should have been paid for the 24-month period, the Provider shall pay the Franchising Entity's reasonable costs of the audit.
- B. Any claims by a Franchising Entity that fees have not been paid as required under **Section 6 of the Act**, and any claims for refunds or other corrections to the remittance of the provider shall be made within 3 years from the date the compensation is remitted.

## **X. Termination and Modification**

This Franchise Agreement issued by a Franchising Entity may be terminated or the video service area footprint may be modified, except as provided under **Section 9 of the Act**, by the Provider by submitting notice to the Franchising Entity. The Provider will use Attachment 2, when notifying the Franchising Entity.

## **XI. Transferability**

This Franchise Agreement issued by a Franchising Entity or an existing franchise of an incumbent video service Provider is fully transferable to any successor in interest to the Provider to which it is initially granted. A notice of transfer shall be filed with the Franchising Entity within 15 days of the completion of the transfer. The Provider will use Attachment 2, when notifying the Franchising Entity. The successor in interest will assume the rights and responsibilities of the original provider and will also be required to complete their portion of the Transfer Agreement located within Attachment 2.

## **XII. Change of Information**

If any of the information contained in the Franchise Agreement changes, the Provider shall timely notify the Franchising Entity. The Provider will use Attachment 2, when notifying the Franchising Entity.

## **XIII. Confidentiality**

Pursuant to Section 11 of the Act: Except under the terms of a mandatory protective order, trade secrets and commercial or financial information designated as such and submitted under the Act to the Franchising Entity or Commission are exempt from the Freedom of Information Act, 1976 PA 442, MCL 15.231 to 15.246 and **MUST BE KEPT CONFIDENTIAL**.

- A. The Provider may specify which items of information should be deemed "confidential." It is the responsibility of the provider to clearly identify and segregate any confidential information submitted to the franchising entity with the following information:  
    "[insert PROVIDER'S NAME]  
    [CONFIDENTIAL INFORMATION]"
- B. The Franchising Entity receiving the information so designated as confidential is required (a) to protect such information from public disclosure, (b) exempt such information from any response to a FOIA request, and (c) make the information available only to and for use only by such local officials as are necessary to approve the franchise agreement or perform any other task for which the information is submitted.
- C. Any Franchising Entity which disputes whether certain information submitted to it by a provider is entitled to confidential treatment under the Act may apply to the Commission for resolution of such a dispute. Unless and until the Commission determines that part or all of the information is not entitled to confidential treatment under the Act, the Franchising Entity shall keep the information confidential.

## **XIV. Complaints/Customer Service**

- A. The Provider shall establish a dispute resolution process for its customers. Provider shall maintain a local or toll-free telephone number for customer service contact.
- B. The Provider shall be subjected to the penalties, as described under **Section 14 of the Act**, and the Franchising Entity and Provider may be subjected to the dispute process as described in **Section 10 of the Act**.
- C. Each Provider shall annually notify its customers of the dispute resolution process required under **Section 10 of the Act**. Each Provider shall include the dispute resolution process on its website.
- D. Before a customer may file a complaint with the Commission under **Section 10(5) of the Act**, the customer shall first attempt to resolve the dispute through the dispute resolution process established by the Provider in **Section 10(2) of the Act**.
- E. A complaint between a customer and a Provider shall be handled by the Commission pursuant to the process as described in **Section 10(5) of the Act**.
- F. A complaint between a Provider and a franchising entity or between two or more Providers shall be handled by the Commission pursuant to the process described in **Section 10(6) of the Act**.
- G. In connection with providing video services to the subscribers, a provider shall not do any act prohibited by Section 10(1)(a-f) of the Act. The Commission may enforce compliance to the extent that the activities are not covered by **Section 2(3)(l) in the Act**.

## **XV. Notices**

Any notices to be given under this Franchise Agreement shall be in writing and delivered to a Party personally, by facsimile or by certified, registered, or first-class mail, with postage prepaid and return receipt requested, or by a nationally recognized overnight delivery service, addressed as follows:

*If to the Franchising Entity:*  
(must provide street address)

City of South Lyon:

335 S. Warren St.

South Lyon, MI 48178-1317

Attn: Paul Zelenak

Fax No.:

*If to the Provider:*  
(must provide street address)

WideOpenWest Mid Michigan, LLC

380 Wright Industrial Parkway

Pottersville, MI 48876

Attn: Bryant Murray

Fax No.: 517-543-8057

Or such other addresses or facsimile numbers as the Parties may designate by written notice from time to time.

## **XVI. Miscellaneous**

- A. **Governing Law.** This Franchise Agreement shall be governed by, and construed in accordance with, applicable Federal laws and laws of the State of Michigan.
- B. **The parties to this Franchise Agreement** are subject to all valid and enforceable provisions of the Act.
- C. **Counterparts.** This Agreement may be signed in one or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same agreement.
- D. **Power to Enter.** Each Party hereby warrants to the other Party that it has the requisite power and authority to enter into this Franchise Agreement and to perform according to the terms hereof.
- E. **The Provider and Franchising Entity** are subject to the provisions of 2006 Public Act 480.

IN WITNESS WHEREOF, the Parties, by their duly authorized representatives, have executed this Franchise Agreement.

**City of South Lyon, a Michigan Municipal Corporation**

**WideOpenWest Mid Michigan, LLC, a Delaware corporation doing business as WOW! Cable Internet Phone**

**SIGN HERE**

By  
**Paul Zelenak**  
Print Name  
**City Manager**  
Title  
**335 S. Warren St.**  
Address  
**South Lyon, MI 48178-1317**  
City, State, Zip  
**248-437-1735**  
Phone  
  
Fax  
**pzelenak@southlyonmi.org**  
Email

By  
**Bryant Murray**  
Print Name  
**Operations Manager**  
Title  
**380 Wright Industrial Parkway/PO Box 360**  
Address  
**Pottersville, MI 48876**  
City, State, Zip  
**517-319-3150**  
Phone  
**517-543-8057**  
Fax  
**bryant.murray@wowinc.com**  
Email

**FRANCHISE AGREEMENT** *(Franchising Entity to Complete)*

Date submitted:

Date completed and approved:

## ATTACHMENT 1

### UNIFORM VIDEO SERVICE LOCAL FRANCHISE AGREEMENT (Pursuant To 2006 Public Act 480) (Form must be typed)

Date: 04/22/2022		
Applicant's Name: WideOpenWest Mid Michigan, LLC d/b/a WOW! Internet Cable Phone		
Address 1: 380 Wright Industrial Parkway		
Address 2: PO Box 360		Phone: 517-319-3150
City: Pottersville	State: MI	Zip: 48876
Federal I.D. No. (FEIN): 04-3561701		

#### Company executive officers:

Name(s): Teresa Elder
Title(s): President & CEO

#### Person(s) authorized to represent the company before the Franchising Entity and the Commission:

Name: Bryant Murray		
Title: Operations Manager		
Address: 380 Wright Industrial Parkway; Pottersville, MI 48876		
Phone: 517-319-3150	Fax: 517-543-8057	Email: bryant.murray@wowinc.com

Describe the video service area footprint as set forth in Section 2(3e) of the Act. (An exact description of the video service area footprint to be served, as identified by a geographic information system digital boundary meeting or exceeding national map accuracy standards.)

Area system prints are available upon request.

[Option A: for Providers that Options B and C are not applicable, a description based on a geographic information system digital boundary meeting or exceeding national map accuracy standards]

[Option B: for Providers with 1,000,000 or more access lines in Michigan using telecommunication facilities to provide Video Service, a description based on entire wire centers or exchanges located in the Franchising Entity]

[Option C: for an Incumbent Video Service Provider, it satisfies this requirement by allowing the Franchising Entity to seek right-of-way information comparable to that required by a permit under the METRO Act as set forth in its last cable franchise or consent agreement from the Franchising Entity entered into before the effective date of the Act]

Pursuant to Section 2(3)(d) of the Act, if the Provider is not an incumbent video Provider, provide the date on which the Provider expects to provide video services in the area identified under Section 2(3)(e) (the Video Service Area Footprint).

Date:

For All Applications:

**Verification  
(Provider)**

I, Bryant Murray, of lawful age, and being first duly sworn, now states: As an officer of the Provider, I am authorized to do and hereby make the above commitments. I further affirm that all statements made above are true and correct to the best of my knowledge and belief.

Name and Title (printed): Bryant Murray, Operations Manager

Signature:

Date:

4-20-22

(Franchising Entity)

City of South Lyon, a Michigan municipal corporation

SIGN HERE

By

Paul Zelenak

Print Name

City Manager

Title

335 S. Warren St.

Address

South Lyon, MI 48178-1317

City, State, Zip

Phone

248-437-1735

Fax

pzelenak@southlyonmi.org

Email

Date



**THE CITY OF SOUTH LYON PRESENTS**  
**2022 SUMMER CONCERT SERIES**  
**McHATTIE PARK HISTORIC**  
**VILLAGE**

<b>June 24</b>	<b>Howlin' Mercy</b>	<b>Heavy Blues</b>
<b>July 8</b>	<b>Nobody's Business</b>	<b>Rockabilly</b>
<b>July 15</b>	<b>One Love Reggae</b>	<b>Reggae</b>
<b>July 22</b>	<b>Fast Eddie</b>	<b>Oldies Rock</b>
<b>July 29</b>	<b>Gemini</b>	<b>Children &amp; Family Entertainment</b>
<b>August 5</b>	<b>Detroit Social Club</b>	<b>Blues &amp; Motown</b>
<b>August 12</b>	<b>Randy Brock Group</b>	<b>Classic Rock</b>
<b>August 19</b>	<b>Judy Banker Band</b>	<b>Classic Country</b>
<b>August 26</b>	<b>TBD</b>	<b>TBD</b>



**Fridays at the McHattie Park Gazebo**  
**7:00 – 8:30 pm**

**If concert is rained out, an announcement will be posted on**  
**[www.southlyonmi.org](http://www.southlyonmi.org) and the City sign.**



**FOR IMMEDIATE RELEASE**

**Contact:** Kathy Swan

**Email:** [committee@southlyonpumpkinfest.com](mailto:committee@southlyonpumpkinfest.com)

## **VIBE CREDIT UNION PUMPKINFEST OF THE SOUTH LYON AREA**

May 19, 2022

SOUTH LYON, MI – Vibe Credit Union Pumpkinfest's Board of Directors is proud to announce a more enhanced festival for 2022. Last year, we brought back a modified festival, after having no festival in 2020. Now, we feel we can bring back even more of the community's Pumpkinfest favorites. The Pumpkinfest Parade, and the Family Stage will return with community groups performing, as well as Pie eating and Pie Bake-off Contests. In addition, more food trucks and kids' activities will be available.

One facet, that will not be a part of the festival this year is the Main Music Stage and Beer tent. Due to the Covid-19 pandemic, the ongoing supply chain problems, and vendor availability, we are facing exorbitant costs for this part of the festival. Pumpkinfest is a non-profit festival, and we must use the sponsorship dollars entrusted to us in the best way possible. The weekend festival will continue to offer much-loved event fixtures, such as nonprofit and artisan booths, kid-friendly games, and the Ultimate Air Dogs shows.

As a nonprofit dedicated to supporting local nonprofits, we're thrilled to bring the 37<sup>th</sup> Pumpkinfest to the South Lyon Area.

Updates and additional information about Pumpkinfest can be found on our website:

<https://www.southlyonpumpkinfest.com/>. Also follow South Lyon Area Pumpkinfest on Facebook (@southlyonareapumpkinfest).

*Vibe Credit Union Pumpkinfest of the South Lyon Area is a nonprofit that is entirely run by volunteers. Vibe Credit Union is the festival's title sponsor. Pumpkinfest supports local nonprofits, small businesses, and artists through an annual festival of games, crafts, and other entertainment.*

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If you would like more information about this topic, please contact Kathy Swan, President of Vibe Credit Union Pumpkinfest of the South Lyon Area at [committee@southlyonpumpkinfest.com](mailto:committee@southlyonpumpkinfest.com).