

City of South Lyon  
Regular City Council Meeting  
June 14, 2021

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

Roll Call: Mayor Pro Tem Kivell joined the meeting from South Lyon MI, Councilmembers: Dilg joined the meeting from South Lyon MI, Kennedy joined the meeting from South Lyon MI, Kurtzweil joined the meeting from South Lyon MI, and Walton joined the meeting from South Lyon MI, Councilmember Richards joined the meeting from South Lyon, MI.

Also, present: City Manager Zelenak, Attorney Hamameh, Chief Sovik, Chief Vogel, Finance and Benefit Administrator Tiernan, Superintendent Varney and Clerk/Treasurer Deaton

MINUTES

Councilmember Kivell stated on page 4, there should be a forward slash between 21222, 2021-2022.

CM 6-1-21 MOTION TO APPROVE MINUTES AS AMENDED

Motion by Kennedy, supported by Dilg

Motion to approve the minutes as amended

VOTE: MOTION CARRIED UNANIMOUSLY

BILLS

CM 6-2-21 MOTION TO APPROVE BILLS

Motion by Walton, supported by Kennedy

Motion to approve the bills as presented

VOTE: MOTION CARRIED UNANIMOUSLY

AGENDA

CM 6-3-21 MOTION TO APPROVE THE AGENDA

Motion by Dilg, supported by Kennedy

Motion to approve the agenda as presented

VOTE: MOTION CARRIED UNANIMOUSLY

CONSENT AGENDA- N/A

PUBLIC COMMENT

Joe Freeman of 313 W Lake Street explained that he has discussed the issue of the speed limit on W Lake Street and the cross walks. He stated he mentioned his desire to have the traffic study reassessed on 10 Mile as well as reviewing all crosswalks. He then explained that in his line of work, when an issue is brought to his attention, the first thing is action, then the action plan is determined and if nothing is done then we have a problem. He then stated he has brought this up twice and if it is not addressed and then it is time for him to take it to a social media campaign and will elevate past that to get the resolve. He further stated he has taken pictures of cross walks that aren't centered and not properly positioned.

David Barton of Meadow Circle East of South Lyon stated he thanked Nate for a helping him with the Twisted Cork to this point.

#### DISCUSSION- DOWNTOWN

Nate Mack, the Downtown Director stated the hanging baskets were put up the first Friday in June. He then stated the vendor provided the city with a fertilizing schedule. On June 10<sup>th</sup> the DDA Board discussed developing guidelines for murals so that we will be ready when we evaluate potential murals. He then stated he attended the Cultural Arts meeting along with the mural artist and the owner of Grand Trunke. He said there was some discussion regarding what the artists idea is. He then stated he met with a vendor for the electronic car charging station and he will meet with others as well. Mr. Mack stated he has passed out the event flyers in and outside of downtown. He then stated the Farmers Market has been very successful so far this year.

Councilmember Dilg asked if we have ever had surveys with the vendors to talk about how things went and if anything needs to be different. Mr. Mack stated he has not but that is a good idea. Councilmember Kurtzweil asked if there is any hope of the SL Theatre re-opening. Mr. Mack stated he doesn't want to say there is no hope but he hasn't had contact with the owners since the announcement. Councilmember Kurtzweil stated things have changed since the announcement was made. She then explained she has received many calls about the downtown clock not having the correct time on it.

Councilmember Dilg asked if there is an update on the ice cream shop. Mr. Mack stated they have permits to work on the inside of the building, they got behind because of COVID.

Councilmember Kivell stated he went downtown to the thru park by the barber shop and took some pictures with the lights on at night, it was very cute and lights up well in the evening. It was a nice upgrade.

#### FIRE CHIEF REPORT

Chief Vogel stated we were able to get the rescue truck from Grayling and it looks amazing and the amount of room they gained is wonderful. He said it is a wonderful project, he encourages everyone to stop by and see it, but it will be at the Lake Street Cruise In as well. He stated Oakland County has shut down the EOC regarding COVID so he is removing the numbers from his weekly report. He then said the Fire Department participated with the South Lyon High School graduation on Saturday and we sprayed as they left the parking lot onto Pontiac Trail. He then said they are starting the CPR classes and if anyone is interested, they should reach out to them.

#### POLICE CHIEF REPORT

Lieutenant Baaki stated they are continuing with their accreditation process and they are currently revamping policies and cleaning the station up. It is a long process which could take up to a year and a half. He then stated we are working on our succession plan. We have our Sgt. List and working on our Lt. list so we can get people where they need to be. We are hoping to start the written portion next week. Councilmember Kennedy asked about the speed monitoring equipment that is on Lake Street. Lieutenant Baaki stated a few weeks ago we had it out coming East on 10 Mile, but we were able to get the number of vehicles coming through as well as the average speed and the 85<sup>th</sup> percentile. He stated the 85<sup>th</sup> percentile of speed coming into town was 38 mph and the average was 35mph. We now have it on the west side of Pontiac Trail and we will keep it out for 2 weeks then compile the data. Councilmember Kurtzweil stated the residents' point is that the speed limit of 35 mph is too fast for the downtown area. She stated she understands because her subdivision is marked 25 mph and even that seems too fast. When there are so many kids and people outside, it seems too fast. Councilmember Dilg stated she agrees

that the concern is that the 35 mph is too fast. She then asked if a traffic study will be done. City Manager Zelenak stated this is part of that. We are also reviewing accidents and other things. He then stated we are looking at different cross walks, the number of busses, the number of houses. There is more to it than just gathering the average speed and number of cars. He further stated he met with the Police Chief to discuss both issues, and we will continue to compile this information. Councilmember Kivell stated the resident lives a few doors down from him and another of his concerns is that we need to have more of an expanded cross walk there. He said the notion that just two white lines on the road is insufficient to give people notice that there is a cross walk there. He then stated they are looking for more of a glaring crosswalk to get peoples attention. He further stated he was not happy when the county forced the 35-mph speed limit on us. He then said people are much more willing to pause and allow people to walk across the street, but to rely on that as a given is a real ask. City Manager Zelenak stated we are looking at everything and will be making recommendations.

## UNFINISHED BUSINESS

### 1. Charter Amendments

City Manager Zelenak explained that we have discussed a number of Charter Amendments that may need to be done due to some conflict with State Law as well as filling a vacancy on Council and conflicts of interest. Attorney Hamameh then explained each topic and the current language, versus the proposed language. \*Full language can be viewed in the council packet on the City's website\*

Attorney Hamameh reminded everyone of the process for charter amendments. She stated Council must approve the language of the proposed amendment, it is then sent to the Attorney Generals Office for informal review, they may or may not make changes, then after Council approves the language, it is sent back to the Attorney Generals Office for final review, then approved by the Governor's Office and then up to the vote of the city electors. Discussion was held regarding the State controlling the formula for the number of voters in a precinct and its boundaries. Attorney Hamameh and Councilmember Kurtzweil then explained the meaning of an Election District, which means we are not divided into boroughs or district. We don't elect Councilmembers by the district they live in because the city is one election district.

#### Charter Amendment #1

Attorney Hamameh stated the first proposal is to clean up the Charter language to match State Law. The language currently is unclear. The proposed language clarifies that the City is one district, and that the Election Commission is authorized to split and establish precincts and the Council will approve of a location for Elections.

#### Charter Amendment #2

City Manager Zelenak stated the purpose of this amendment is to clarify the process for filling a vacancy in any elective office in the event of a tie vote of the remaining members of the Council, and to provide that any vacancies which occur 120 days or less before the next regular City Election will not be filled. He stated there a couple of options. One is to include language that if there is a tie vote, the position would be filled by lot. The other option would be to hold a Special Election. Attorney Hamameh stated Council has discussed the different options to fill a vacancy in the past. She then stated she took the language from the Election Law. She then stated she used other communities' language for the special election. Discussion was held regarding the language being confusing and Attorney Hamameh stated she would change it before sending it to the Attorney Generals office. Councilmember Kivell stated he doesn't think there is a need for a second meeting for the drawing of lots considering the candidates will already be there. Councilmember Walton asked about the verbiage stating that any vacancy within 120 days of a City Election will remain vacant until Election. Attorney Hamameh stated that is what she is

proposing, but its Council's decision. Councilmember Kurtzweil stated she is pleased not withstanding the foregoing language because that only puts you about 4 months before an Election. She further stated to pick someone that is running for Council could give them an advantage over another candidate. Councilmember Kivell stated we have had circumstances where we were opposed on conducting business and if that were to be recreated, that would be a long 120 days without getting anything done. He likes the idea of the electorate making the decision on who is making the decisions on their behalf, if you can't come to a decision on Council with someone that is good across the board, it is better to have the draw to have a chance to have a majority so business can be conducted. Councilmember Kurtzweil stated that is the democratic process, there is always some level of tension when you are discussing issues, but that is what democracy is about. Councilmember Kennedy stated he prefers option 1 which is the drawing of the lots of the candidates that tied. He agrees with the 120 days process which replicates what the school board have just done when someone resigned. Councilmember Dilg agrees with option 1 and the 120 days' time frame because she feels it would give someone an advantage at the Election. Councilmember Walton stated she feels the same. Councilmember Kurtzweil stated she agrees with the lots and no special election.

#### Charter Amendment #3

City Manager Zelenak explained the purpose of this is to amend the Charter to state City Council Members shall vote on all matters except when there is a financial interest involved, on any question concerning their own official conduct, or on any question concerning a conflict of interest defined by City Ordinances or state law. Councilmember Kurtzweil asked about the language regarding the conflict of interest defined by City Ordinances or state law, what do you do about governing codes of conduct for Councilmembers that hold licenses. She further stated she holds 2 licenses, and each one has a code of ethics. One of the codes of ethics may bar her from voting on an issue, such as when it involves a client. She may have a conflict that may not be financial. Attorney Hamameh stated that is why the language is in there, if someone has a legal conflict of interest it will fall under state law. She then pointed out the proposal takes out the consent of a unanimous vote to allow someone not to vote.

#### Charter Amendment #4

City Manager Zelenak stated the purpose of this amendment is to add a paragraph to state that in the event of a conflict between state law and the charter, state law controls. Attorney Hamameh stated we need to decide what amendments we would like to be on the ballot first. Councilmember Kivell asked if Council is ok with having the lot drawing at the same meeting regarding the drawing of lots at the first meeting and not holding a second meeting. Councilmember Kivell stated we would only be doing the lot drawing on the 2 candidates that Council tied on. Councilmember Dilg stated their speeches would be done at the beginning of the meeting, then if there was a tie, you wouldn't need them to do their speeches again because we would just draw the lot. Attorney Hamameh clarified Council is discussing having the drawing of lots at the same meeting if there were a tie vote between 2 or 3 people. She stated you have to vote on each individual person, and what if you lose on a 3 to 3 tie. Councilmember Kivell stated you wouldn't vote unless there was a nomination made for a candidate. Councilmember Kennedy stated the issue is the Charter says it must be filled within 30 days. He explained the process when Council last had a vacancy. They had 4 applicants which all attended the meeting and gave presentations, then Council had discussion and questions to the candidates, then a nomination was made and there was a second along with a roll call vote. If it had resulted in a 3 to 3 vote, that would be a tie and that person would be set aside, if there was a 2 to 4 vote, that person would be out. If there were 2 or 3 people that had a tie, a drawing by lot would be done and it could be done at the same meeting. Attorney Hamameh stated this conversation is about the worst-case scenario, if Council couldn't agree on someone, you could always ask for more applicants and look at other people. Councilmember Kennedy stated it seems Council

agrees on 1, 3, and 4 so Attorney Hamameh could move those through the preliminary phase, then Council can decide when they will go on the ballot and at which Election.

2. Road improvement plan discussion- Next steps \*see attached information and Q&A information\* City Manager Zelenak stated the City of South Lyon received a conditions assessment (PASER Rating). He stated this is the 4<sup>th</sup> discussion since receiving the Paser rating and we will be discussing the next steps addressing the long-term repair of our roads, including discussing revenues, expenditures, funding alternatives and other information. If we want to place a proposal on the November ballot, it will have to be decided by the second July meeting. City Manager Zelenak stated we have reviewed minutes, historical information, budget approvals and millage reduction fractions and state forms for prior years and previous years. We discovered at one time; the City separated the Capital Improvement fund from the General Fund Operating Funds. He further stated based upon that, when we approved our millage rates the calculations show our maximum mills, we can use for city operating is 15.5995 which includes General Fund, Capital Improvement and the Wastewater bond. He further stated the one mil that was approved for roads that was discussed will not be added without voter approval. At the next meeting we will either need a motion to rescind, or a budget amendment to correct that. In prior administrations they separated the mills and based upon a conversation with our Bond Counsel, it should be all together. Mayor Pelchat thanked him for clarifying that. City Manager Zelenak stated we are providing more detailed financial information to help everyone make an informed decision. He then explained the city has \$41 million dollars of road improvements. The beginning fund balance in the road funds are \$600,000 for local streets and \$2,700 for Major Streets. Act 51 funds can be transferred from Major Street to local streets, but not vice-versa. These funds will allow the City to start a road improvement program and work on the design and planning of projects prior to receiving the first year's road millage revenue. The money is not enough to rely on for complete road improvement program. The only way we can have this plan is to have numerous sources of revenue. The money from the local and major street funds could be used to supplement the money from the road improvement plan. If 1 mill is passed, it would generate \$415,000, if 2 mills were passed, it would generate \$830,000; while 3 mills would generate \$1,245,000 and 4 mills would generate \$1,660,000. On a home valued at \$250,000, 1 mill would add \$125.00 in additional taxes to a tax bill. The waste water millage that has been levied will be paid off in the 2025-2026 fiscal year which is 3 mills, that means there would only be 4 years where both the waste water bond and the road millage would be levied. City Manager Zelenak then read through the questions and answers. \*Please see information attached\* Councilmember Kivell stated since Headlee is preventing us from moving forward, can you explain how we may implement the Headlee override. City Manager Zelenak stated the city can put something on the ballot for a Headlee override which would be asking voters to approve up to a specific millage rate. We are allowed to levy up to 20 mills. Any additional millage that is garnished by the Headlee override would be used for the road improvement program. City Manager Zelenak stated each year the City Clerk based on information received from the County. If we levied a millage, each year it drops, it is based upon property taxes levied, property values which are limited based upon the millage you are levying. Councilmember Kivell stated it is also based on the growth of the city. Councilmember Dilg asked if we could look at asking for a certain number of mills each year through the end of the waste water bond. City Manager Zelenak stated we are looking at levying a certain number of mills, then raise it or vote on it again. Councilmember Dilg stated if the road millage doesn't get approved, is there a chance to use a special assessment district. City Manager Zelenak explained the city can do a special assessment district initiated by Council or residents. It requires approval of 51% of the residents within that district. He stated that is more palatable if it is spread community wide, versus a particular subdivision. He then stated one subdivision alone needs 3 million dollars in improvements. Councilmember Kennedy asked what will be the approach for fixing the

concrete roads. Mike Darga from HRC stated they will have to look at each one individually. We would look at overlays depending on the thickness. Councilmember Kennedy stated you have to get 51% of the residents in that subdivision, is it the homeowners. City Manager Zelenak stated it is 51% of the property owners within so many feet of the road. Councilmember Kurtzweil stated it is mixed on the Headlee overrides votes that she looked into; it doesn't appear the voters care for lifting that cap. She further stated it seems the more you ask for, they vote no, but if its reasonable there is more of a chance to pass it. Councilmember Kivell asked why the voted bond wouldn't put us over the Headlee limit. Attorney Hamameh stated there are certain exceptions to Headlee and one is bonding issues. She stated you would not have to do a Headlee override if the city sells bonds if approved by voters. Further discussion was held regarding bond costs.

#### NEW BUSINESS

##### 1. Small winemaker license application- 105 N Lafayette St (Twisted Cork Winery)

Mr. Mack stated we have received information and a request from Twisted Cork Winery the lessee of 105 N. Lafayette to obtain a local approval for their request for an on-premise tasting room permit. They are currently making improvements to the building. He stated the permit allows a small wine maker to produce 50,000 gallons of wine a year. He stated it doesn't count toward the quota license, it is a special license the state passed to allow small wine makers to get up and running. They have gone through the liquor license application process. He recommends the approval. This license will not be able to be taken to another community as the quota license can. Councilmember Kennedy asked why they are making improvements to the building because the application states they need owner approval and there is not a letter of approval from the building owner included in the packet. Mr. Mack stated they have had discussions and he believes they have permission. Councilmember Kennedy stated he is wondering why it wasn't included in the packet.

#### CM 6-4-21 MOTION TO APPROVE PERMIT

Motion by Kennedy, supported by Walton

Motion to approve the resolution for an on-premises tasting room permit authorized by MCL 436-1536 for Twisted Cork Winery located at 105 N Lafayette St

ROLL CALL VOTE:

Kurtzweil- Yes

Walton- Yes

Kennedy- Yes

Kivell- Yes

Richards- Yes

Dilg- Yes

Pelchat- Yes

MOTION CARRIED UNANIMOUSLY

##### 2. Purchase of a John Deere Z960M Z-Trak lawn mower for the Water and Sewer Dept.

Superintendent Varney stated the zero-turn mower for the grounds keeping at the water tower, lift stations has reached out useful life. It has had an oil lead and we tried to repair it. It will not make it through this season. He further stated we will be splitting the cost 50/50 with the Equipment accounts within the water and sewer departments. Councilmember Dilg stated this is a non-urgent purchase, and non-budgeted, do we have our equipment in an asset management plan so there is a plan. Superintendent Varney stated we do and it was in next years budget, but he would like to purchase it now because we are just dumping more and more oil in it. Councilmember Richards asked if the dealership is offering a

warranty on service and parts. Superintendent stated he can take it to any John Deere dealership and he will have their warranty.

CM 6-5-21 MOTION TO APPROVE PURCHASE

Motion by Kurtzweil, supported by Kennedy

Motion to approve the purchase of a new John Deere Z960M Z-Trak for the clean water plant for the amount of \$10,565.46 under line items 592-556-977 and 592-557-977

ROLL CALL VOTE:

Dilg- Yes

Richards- Yes

Kurtzweil- Yes

Walton- Yes

Kivell- Yes

Kennedy- Yes

Pelchat- Yes

MOTION PASSED UNANIMOUSLY

3. Purchase of cleaning and camera services (air lift and sonar jetting) to increase production from well #2 at the water treatment plant as part of well and pump maintenance as outlined in the current budget

Superintendent Varney stated the #2 well pump has been pulled for investigatory purposes and video camera inspected to determine the best course of action to rehab the well. He stated our contractor for maintenance has determined the best course of action is to produce up to 500 gallons per minute from well #2. The aggressive treatment process is being done to clean the screen that allows water to pass to the pump. The screen is salvageable and will need sonar jetting and chemical to increase production of the rebuilt pump. We have budgeted for the maintenance of all the wells and this is phase one to the process of completing proper refurbishment as well. Councilmember Richards asked about the well drilling company and they inject the chemicals into the wells, then inject it to clean it, will the particle be removed from the well or go to the bottom. Superintendent Varney stated they will be sucked out.

CM 6-6-21 MOTION TO APPROVE PURCHASE

Motion by Walton, supported by Kennedy

Motion to approve the purchase of cleaning and camera services for well #2 at the water treatment plant for the amount of \$15,320.00 under line item 592-556-931

ROLL CALL VOTE:

Kennedy- Yes

Kivell- Yes

Walton- Yes

Kurtzweil- Yes

Richards- Yes

Dilg-Yes

Pelchat- Yes

MOTION CARRIED UNANIMOUSLY

BUDGET

City Manager Zelenak stated at the next meeting will be budget amendments.

PUBLIC COMMENT

Ryan Lare stated he was sorry to hear about Clerk Deaton's family member passing away. He then thanked Dayna Johnston and the Police and Fire Department for their excellent job with the Memorial Day Parade. He then thanked Maggie Kurtzweil for her excellent work she has done in keeping up Paul 6-14-2021

Baker Park, the flowers look beautiful and the fountain at night with the hanging baskets looks amazing. He then stated he had the pleasure of helping her clean, but she did 99% of the work. He then said the South Lyon news and weather page for the ambassador has taken off and he now has 150 members and he thanked everyone for joining.

### MANAGER'S REPORT

City Manager Zelenak stated he has met with the South Lyon schools regarding the timeline for expenditures needed for repairing our joint administrative building. The expenditures will be in the 2022-2023 and 2023-2024 budget years. City Manager Zelenak stated the Simple Recycling service has resumed and the scheduling module is active. They did find some glitches that didn't appear during their testing. City Manager Zelenak stated the Senior Center is slowly opening back up to the public. They already have some activities scheduled such as book club, wood carvers, breakfast club among others. City Manager Zelenak stated he updated Council on the pending grants and grants we have already received. He then mentioned that every time we lose power the clock downtown has to be reset and that will be done shortly. Councilmember Dilg stated the city sign still said City Hall was closed. Clerk Deaton stated she changed the sign last week so it has been updated. Councilmember Dilg then asked about updating the crosswalks. City Manager Zelenak stated it will be after July 1 and we are looking at different types of crosswalks. Councilmember Dilg asked about timeline for improvements on the trail. City Manager Zelenak stated he met with the engineers about a section along 9 Mile that is in extremely bad condition around the pond and retention areas and they sent out additional individuals to take a look to get a better estimate. We allocated \$75,000 in the upcoming budget. He further stated we are looking at long term repair programs because we need to identify any problem areas in our city and we will be looking at grant funds as well. Councilmember Dilg stated she sent the email from the resident that spoke today so he can reach out to him. Councilmember Walton asked when will we consider the paving of the rail trail in other sections. City Manager Zelenak stated he has identified sections of the trail based upon conditions and they will be repaired with the capital improvement plan for which sections would be done first. Councilmember Walton asked about the handicap swing for McHattie Park. The order was placed so we are waiting on delivery and we will be excavating on that area. Councilmember Kivell stated he is surprised that he has selected which areas of the bike path will be repaired. He is concerned about the stretch next to MST, that is the oldest section. There are a lot of laterals in that area. He stated there are a lot of areas where someone could get hurt, before spending all the money in one area. He further stated he hopes we can do parts of a bunch of places this year so we can make sure no one gets hurt. Councilmember Kurtzweil stated there was an incident where someone fell last year and it is the bridge area near MST, once it gets damp, you get moss on the wood and it gets slippery. She then asked if there is any way we can put some kind of sandpaper strips so it doesn't get too slippery.

### COUNCIL COMMENTS

Councilmember Richards stated the Historical Society meets tomorrow night at the Depot. He hopes Nate the DDA Director can make it to a meeting in the future. He then stated the garden at the Depot looks beautiful. He further stated he hopes someone will let him know when the new fire truck will be here because he would like to take a ride in it. He then said he would like to see a progress report from Stante Corporation who is working at Fieldstone, he would like to see the evaluation of the ground soil. He looked in one of the deep holes and they are into sand and gravel at 5 feet down. He then said he had Ron Brock come to his house and he demonstrated how he made a repair to a bird bath that is made out of cast aluminum and it had a large hole, working with cast aluminum is hard to deal with. He showed him his method of making the repair. The implementation of this could save the city hundreds of dollars. He



then thanked our founding fathers for creating Flag Day during the onset of the revolutionary war in 1777, the continental congress created this beautiful flag that we celebrate today.

Councilmember Kennedy thanked Dayna Johnston, the volunteers and the participants in this year's Memorial Day parade. It was a great event for remembering and honoring our military personnel who died in the performance of their duties. He then reminded everyone that the Lake Street Cruise-In will be back next Wednesday, June 23rd starting at 6:30pm. So, come downtown, check out the great cars and get some wonderful food from our restaurants. It's going to be another great summer event.

Councilmember Walton stated on Saturday June 12<sup>th</sup> the South Lyon High School Varsity girls' softball team won its first ever MHSAA regional championship to move on to the final 8 of the Michigan High School State playoffs. She stated in game one of the regionals the unranked team beat the ranked Hartland 9 - 3 before moving on to defeat Ypsilanti Lincoln 12 - 1 in the regional championship game. South Lyon is now 27 - 6 - 2 on the season in which they won the conference regular season title for the 3<sup>rd</sup> consecutive year and beat rival and ranked number 6 South Lyon East to win their second district title in 3 seasons. The energy and emotion this team plays with is infectious, they play for each other and their city and they represent our South Lyon community with class and integrity and they show their efforts on every play. The Lions will take on Dewitt High School at 4pm in the quarterfinals on June 15<sup>th</sup> at Novi high school. They are asking everyone to show up and drown out Novi in a sea of blue and gold. She wished them all the best of luck. Mayor Pelchat stated some of the girls that graduated on Saturday went right from the game to the graduation, and what a great memory for them.

Councilmember Dilg said Go Lions, she was happy about that as well, she loves those girls and she has been watching them for years, they are amazing. She then thanked everyone for their efforts for getting everything up and running again in South Lyon, it has been a great couple of weeks seeing everyone downtown at the Memorial Day Parade, the Lake Street Cruise in and the Farmers Market. It's been really wonderful and she wants to give a shout out to Dayna as well. She then agrees with Ryan, the park looks very pretty and thanked Maggie for her efforts.

Councilmember Kurtzweil reminded everyone of the Lake Street Cruise in on June 23<sup>rd</sup>, she hopes everyone can attend. She stated she wants to recognize some of the sponsors such as Performance Creative Resources, Advanced Capital Management and Wixom Towing. She then asked everyone to thank them for spending their money here in South Lyon, many of the businesses do not have businesses here in town. She thanked Ryan Lare in his continued efforts to keep the city clean and thanked him for helping pick up the garbage. He is doing his part in the community. She then stated last year she was approached by a lady that was walking through and she thanked her for the work she has done. She went to the park a lot last year; she was a surviving member of breast cancer and going to the park was very peaceful for her. She asked her in the fall if she could present Paul Baker Park as a tribute to all the cancer survivors so she met with Duke and they picked out flowers that are in the color of pink which represents breast cancer. She then thanked Duke for his help. The color combinations that are in the park represents all the individuals that are survivors of Cancer. We can all do our part.

Mayor Pelchat thanked Councilmember Walton for bringing up the softball girls, and just an awesome thing. He then stated he had two teachers that had a big impact on his life that retired this week. Claudia Ayles was his 5<sup>th</sup> grade teacher and had an incredible impact. He then congratulated her. He further stated Mark Thomas is a long-time teacher at South Lyon High School and coached at South Lyon, and he thanked both of them for their contribution for many years. Mayor Pelchat stated it is time this

community takes a moment to recognize Dayna Johnston for her commitment to the city. She has been volunteering in the community since he was a kid. She was an EMT volunteer at Panther football. He then stated the city will be honoring Dayna and her family with a key to the city as soon as we begin to meet in person again. He looks forward to it and she has been running the Memorial Day Parade for 40+ years and countless other meaningful things.

CLOSED SESSION- Closed session to consider the purchase or lease of real property pursuant to Section 8(d) of the Open Meetings Act, MCL 15.268(d)

CM 6-7-21 MOTION TO ENTER INTO CLOSED SESSION

Motion by Kurtzweil, supported by Walton

Motion to enter into closed session consider the purchase or lease of real property pursuant to Section 8(d) of the Open Meetings Act, MCL 15.268(d) at 10:00 p.m.

ROLL CALL VOTE:

Richards- Yes

Dilg- Yes

Kurtzweil- Yes

Walton- Yes

Kivell- Yes

Kennedy- Yes

Pelchat- Yes

MOTION CARRIED UNANIMOUSLY

Council reconvened the regular meeting at 10:18 p.m.

ADJOURNMENT

CM 6-8-21 MOTION TO ADJOURN

Motion by Kurtzweil, supported by Walton

Motion to adjourn meeting at 10:18 p.m.

VOTE:

MOTION CARRIED UNANIMOUSLY

Respectfully submitted,



Dan Pelchat, Mayor



Lisa Deaton, City Clerk

**City of  
South Lyon  
Road  
Improvement  
Plan Presentation  
Next Steps**

**Next Steps:** We now are reviewing in greater detail the financial information to help everyone make an informed decision on whether a ballot proposal is the right choice to put before the voters for a road improvement program. Additionally, we also need to determine what level of funding is necessary to take on the \$41 million dollars of road improvements that are needed in the City of South Lyon.

Each mill increase generates approximately \$415,000 in additional revenue.

<u>1 Mill</u>	<u>2 Mills</u>	<u>3 Mills</u>	<u>4 Mills</u>
\$415,000	\$830,000	\$1,245,000	\$1,660,000

The beginning Fund Balance in the road funds are, Local Street \$600,000 and Major street \$2,700,000. On a yearly basis new Act 51 funds can be transferred from Major Streets to Local Streets, but not vice-versa. These two existing fund balances could allow the City to start a Road Improvement Program and work on the design and planning of projects prior to receiving the first years road millage revenue. However, this existing fund balance is not enough to rely on for a complete Road Improvement program. The only way a Road Improvement Program can work, would be to have numerous funding sources of revenue. The Local and Major Street Fund could be used on a yearly basis to supplement the Road Improvement Program. Approximately \$400,000 could be used in the Road Improvement Program each year (in total from these two funds). Additionally, the 1 mill increase in General Fund that was approved this year would also be added to fund the road program. Each 1 mill increase represents \$125 in additional taxes for a home valued at \$250,000.

1 Mill General Fund Increase	\$415,000
Local / Major Street Fund	\$400,000
<u>Road Millage (1-4 mills)</u>	<u>\$415,000 – \$1,660,000</u>
Total Funds raised	\$1,230,000 - \$2,475,000

The last year the waster water millage will be levied is in the 2025-2026 Budget Year. If a ballot proposal is passed in November, it would be levied for the first time in July of 2022. That would mean that there would be only four years where both the waster water millage and Road Millage will be levied at the same time. However, because the wastewater millage has an existing fund balance of one years payment, the levy could be completed in three years (one year earlier)

## **FAQ:**

### **What does the City's current road funding go towards ?**

Current road funding is used to pay for wages and benefits associated with costs of routine maintenance, patching, sweeping, snow plowing, salt application, storm sewer repairs, traffic services, signals, equipment etc. The current funding we receive is inadequate to fully fund any type of road improvement program.

### **How much money would a millage increase generate ?**

Each Mill increase would generate approximately \$415,000 in road funding in the first year. In future years funding will be dependent on future property values and be subject to the Headlee Rollback calculations.

### **How long would a millage for road improvements be levied ?**

A proposed millage could be levied for a 10-year period.

### **How will money raised by a millage increase be used ?**

The funds will be deposited in an interest bearing Municipal Street Fund that can ONLY be used as described in the ballot proposal and CANNOT be used for city operating expenses or for any other purposes.

### **Why are we not bonding for road improvements ?**

Bonding by a City is basically the borrowing of money to pay for a public improvement. Bonding for any road improvement will increase the overall cost of a project. Just as in a mortgage, there are costs for setting up the bond and principal and interest costs to pay back a bond. We would need approximately \$1.15 million dollars to pay off each \$1 million dollars of bond debt.

### **How will the millage increase be levied ?**

If a road millage increase is approved, it will be included in property tax bills starting in the Summer of 2022.

### **When would we see a road improvement program begin ?**

If a millage is approved in November of 2021, the initial planning and design work will begin right after the November 2021 election. And the road construction would begin in the summer of 2022.

### **How will the road projects be prioritized ?**

Project priorities are based on PASER rating (which is a condition assessment of all the roads in South Lyon). The road condition, age, and utility improvements will also be considered in setting out a plan for the 23.5 miles of local streets, and 4.5 miles of major streets.

### **How will the roads be repaired ?**

Roads identified as poor will be reconstructed by pulverizing the existing pavement followed by grading the pulverized material and placing at least three (3") inches of new asphalt. Roads in fair condition, the repair would include milling of the top surface, base repairs and a 1 ½ to 2" full width asphalt overlay.

### **Are all roads in the City of South Lyon under the jurisdiction of the City of South Lyon ?**

Certain roads (Pontiac Trail and 10 Mile Road) are under the jurisdiction of the Road Commission of Oakland County. Those roads are maintained by RCOC.

### **Will there be any other work done along with a road improvement program?**

The City is in the third year of a four year program to inspect all underground infrastructure (sanitary sewer, storm sewer) If there are any improvements that are needed to any utilities in the same area as a road project, they will be completed prior to, or at the same time as the road improvements.

### **How will the improvements to the sanitary sewer or watermain be paid for ?**

Sanitary Sewer and Watermain improvements will be paid for by the water and sewer fund. They will not be paid for by proceeds from the road millage.

### **What happens if the road millage doesn't get approved ?**

If a road millage doesn't get approved, the roads will only receive minor preventative measures. (i.e. pothole patching, crack sealing, etc) The City would have to save money for several years before taking on a subdivision paving project.

### **How long will the road improvements last ?**

Reconstruction of a road lasts 20-25 years, maintenance will increase that life expectancy. Rehabilitation will last 10-12 years and can also be extended with preventative maintenance.

**Proposed Project Implementation (subject to change)**

Year 1	Subdivision Paving Project
Year 2	Subdivision Paving Project
Year 3	City-wide Repair Projects
Year 4	Subdivision Paving Project
Year 5	Subdivision Paving Project
Year 6	City-wide Repair Projects
Year 7	Subdivision Paving Project
Year 8	Subdivision Paving Project
Year 9	City-wide Repair Projects
Year 10	Subdivision Paving Project

**Sample Ballot Language**

*Shall the City of South Lyon be authorized to levy a new additional millage on taxable property within the City, not to exceed the annual rate of X number of mills (\$X per \$1,000.00 of taxable value) for a period of 10 years (from 2022 through 2031 inclusive) for the purpose of funding the improvement, rehabilitation, repaving, repair and maintenance of public roads and infrastructure in the City? If this new millage is approved and levied in July 2022, the estimated amount of revenue that would be collected in the first year would be approximately \$X.*

*It is estimated that \_\_\_\_% of the annual millage revenue will be disbursed to the City for road purpose, and, as required by law, \_\_\_\_% will be disbursed to the City's Downtown Development Authority (DDA) collected solely from properties located in the Downtown Development District.*