

City of South Lyon
Regular City Council Meeting
July 26, 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: Councilmembers: Dilg joined the meeting from South Lyon MI, Kurtzweil joined the meeting from South Lyon MI, and Kennedy joined the meeting from South Lyon MI, Richards joined the meeting from South Lyon MI, Walton joined the meeting from South Lyon MI, and Kivell joined the meeting from South Lyon MI

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

MINUTES

Councilmember Kivell stated on page 6, the word us should be changed to use.

CM 7-1-21 MOTION TO APPROVE MINUTES

Motion by Kennedy, supported by Kivell

Motion to approve the minutes as amended

VOTE: MOTION CARRIED UNANIMOUSLY

BILLS

CM 7-2-21 MOTION TO APPROVE BILLS

Motion by Kennedy, supported by Walton

Motion to approve the attorney bills as presented

VOTE: MOTION CARRIED UNANIMOUSLY

AGENDA

CM 7-3-21 MOTION TO APPROVE AGENDA

Motion by Dilg, supported by Walton

Motion to approve agenda as presented

VOTE: MOTION CARRIED UNANIMOUSLY

CONSENT AGENDA

- 1. Authorization for Mayor to sign CLEMIS agreement

CM 7-4-21 MOTION TO APPROVE CONSENT AGENDA

Motion by Kurtzweil, supported by Dilg

Motion to approve the consent agenda as presented

VOTE: MOTION CARRIED UNANIMOUSLY

PUBLIC COMMENT- None

DISCUSSION- Downtown

Mr. Mack the Downtown Director stated on July 17th the MDARG, Michigan Department of Agricultural and Rural Development made a stop at the Farmers Market for an evaluation, and there were no major corrective actions that were needed, but there were some minor corrections that the vendors needed to make such as labeling their food properly. They provided them with the standards they need to meet and they may be back next week. Mr. Mack stated he installed 20 succulents in the pocket park in the pallet

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by the 12 Kitchen Elves and they are a nice fit. He then stated Curvins Creamery opened on Saturday and it was a successful opening. There was a lot of attention from Facebook. He then stated at the last DDA board meeting, one of the members made him aware of a parking spot that was in need of repair by the bicycle shop and the DPW made the repair and he thanked them for their efforts. Mr. Mack said the building at 121 E Lake Street installed 3 new windows in the second story and they will not be putting the awning up at this time. He then stated the building at 131 E Lake passed their mechanical inspection and the fire suppression, and the plumbing and electrical will be upcoming. Mr. Mack stated he met with the owner of Grande Trunk and they discussed the mural and the guidelines the DDA has established and they're going to move ahead with the artist she has been speaking with for the last 2 years.

Councilmember Dilg asked if the 131 E Lake building is still on track to open in October. Mr. Mack stated they are still in the construction phase, but he is still hoping for the October opening date.

Councilmember Kurtzweil asked if he goes to visit and thank our business owners in town for all their efforts, such as Lucas Coney Island. They are making a lot of improvements to his building and the façade. Very well-established owner and business. It is a nice upgrade and she thinks the city should go and thank them. Councilmember Kivell asked if he had any contact with the owners of the theatre. Mr. Mack stated he has not, but he will continue to try to reach them. Councilmember Kurtzweil stated she thinks the Neals, the owners of the theatre are looking at their options, but at this time they aren't comfortable speaking about it publicly.

FIRE CHIEF REPORT

Chief Vogel stated the sirens in town went off around 8:00 p.m. on Saturday, the tornado was not close, but they set them off in all of Oakland County. He stated at the last Council meeting a question was asked about the first responder bell. He stated before COVID they were working very hard on this project, and he was working with Dayna Johnston. He further stated he and Chief Sovik have been asked to be a part of the memorial volunteer committee that are working on this. He stated they will be meeting the first week of August. He is hoping to raise some funds, then look at some plans and then there is always discussion about the bell. There is a question about fixing the bell or not. He said he thinks it should remain cracked because it is a part of history when City Hall collapsed. He hopes to have a report soon.

Councilmember Kurtzweil stated there is some confusion on what it means when the sirens go off.

Councilmember Vogel stated if the National Weather Service thinks it looks like a tornado could occur, they order the sirens to go off. He said he suggests to everyone, that if the siren goes off, you should get a radio and go to a safe place. Councilmember Kurtzweil asked who decides when they go off. Chief Weir stated if there is a severe thunderstorm warning with over 70 MPH winds or if a tornado has touched down the county will make the call for them to go off.

POLICE CHIEF REPORT

Chief Sovik stated they are very happy with their Comcast phones and internet that have been installed. He stated the Motorfest is this weekend and Pontiac Trail and 10 Mile will be closed Saturday morning at 6:00 a.m. There will be a lot of activities happening in town. He further stated they sent a letter to the homeowners in the area about closing the streets, where they can park and what to do in case of an emergency. He stated there will be reserved parking for residents that live along 10 Mile and Reese. He further stated it will be on their social media page as well. He then stated they are always working on public relations, and Officer Barbour reported at 10:00 p.m. he noticed a vehicle he recognized that belonged to a person that does after hour deliveries near Sunrise Dental and he stopped to check on him. He said he was ok and thanked him for checking him. He further stated the great thing is we get to know our area and we watch for suspicious vehicles, and we begin to recognize cars that are normally in the

area. Chief Sovik thanked the DPW for all their hard work they do throughout the city. He then gave a shout out to Chief Vogel and the Fire Department; they have a great working relationship and it has never been better. He then reminded everyone of the concert in the park and the movie in the park this weekend. It will be a busy weekend and our officers will be there as well. He then stated he received the traffic study regarding W Lake Street from the TIA and they will be putting together a report and what he suggests should be done with the speed limit on that portion of the street.

UNFINISHED BUSINESS

1. Purchase of 2021 Spartan/Smeal 100" MM Platform aerial truck

Chief Vogel stated this is part 2 of the meeting we held a few months ago. He stated if approved tonight, we will sign the contract this week, then we would have a prebuild meeting in August. He further stated we should have delivery of the truck 12-14 months after the prebuild is completed. He then stated COVID has hurt many vendors, and it is hard to get parts, material and labor, but he is confident we are looking at 12-14 months. We are continuing to work on the current ladder truck, but the ladder will only be used in an emergency situation. We are debating on what we will spend to keep it working. He stated he is grateful for everyone that was involved with this. Discussion was held regarding the chip shortage in the auto industry. Chief Vogel doesn't see that as an issue. Councilmember Kennedy stated that Chief Vogel and Chief Weir have done a great job with this package. Councilmember Kurtzweil stated she would like information on the financial aspect. Finance and Benefit Administrator Tiernan stated this is the same lease agreement that was discussed during the budget workshop in March. She stated the company has been able to keep the same interest rate. There is a separate resolution for the financing which is separate from the truck purchase. We will be putting down \$250,000 directly to the truck manufacture CSI Emergency Apparatus which will be paid at the time the contract is signed. The remaining portion will be financed for one million, two hundred and fifty thousand dollars through a 5-year lease purchase agreement. First payment on the schedule will be July 2022, then each July after until paid off. Everything discussed earlier is still in this agreement, and we are able to pay off early if necessary. Mr. McGow from Miller Canfield stated the master equipment lease purchase agreement is the lease agreement for the purchase of the fire truck which the city will be leasing over 5 years. He stated it is not like a car lease where after a few years, it goes back to the finance company. This is more like a purchase; there is language that states the party in the agreement is the lender which is the financing arm of the manufacturer. He further stated this is a loan between them and the city, if there is an issue with the truck or anything like that, it is an issue between the city and the vendor, but the city will still be making the payments. Councilmember Kivell stated this is a lease to buy document which we have done in the past. Chief Vogel thanked the City Manager, Patricia, Chief Weir, his team and all Councilmembers.

CM 7-5-21 MOTION TO APPROVE PURCHASE

Motion by Kennedy, supported by Dilg

Motion to approve purchase of 2021 Spartan/Smeal 100' platform aerial truck for \$1,500,000 (including down payment of \$250,000) from CSI Emergency Apparatus, LLC from account 101-335-978

ROLL CALL VOTE:

Kurtzweil- Yes

Dilg- Yes

Walton- Yes

Kennedy- Yes

Kivell- Yes

Richards- Yes

Pelchat- Yes

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MOTION CARRIED UNANIMOUSLY

CM 7-6-21 MOTION TO ADOPT RESOLUTION FOR PURCHASE AGREEMENT

Motion by Kennedy, supported by Kivell

Motion to approve the resolution authorizing master equipment lease purchase agreement for aerial ladder truck in the form presented on file with the packet

ROLL CALL VOTE:

Dilg- Yes

Richards- Yes

Kivell- Yes

Kennedy- Yes

Walton- Yes

Kurtzweil- Yes

Pelchat- Yes

2. Road improvement plan discussion- bonding

City Manager Zelenak stated we are having our 7th discussion regarding the long-term repair of our roads including bonding information and language for the August 2022 primary ballot. Warren Creamer discussed the city's desire to finance the road repairs in the amount of 17 million dollars in 2 series. The first series would not exceed the mill impact of 2 mills. Then after the sewer debt is paid, you could increase that to 5 mills. He stated in 2024, 2025 and 2026 the debt mill would be \$833,000 and the 2 mills with the city's current taxable value would be \$834,000.00, then with the retirement of the sewer debt, the impact would go up to 5 mills which totals, \$2,81,000.00 which is just under the 3-mill cap assuming no growth cap. City Attorney Zelenak stated Council has discussed adding the mills in the future after the sewer debt is paid off and to be conservative, we didn't add any growth to the taxable value. Councilmember Kurtzweil stated she has heard from people that they are not fond of the Headlee override. She stated the email we received today reflects the options of the bonds and the Headlee override of up to 5 mills. City Manager Zelenak stated Council discussed up to 5 mills. Mr. Creamer explained to move forward with a bond issue, you have to have reasonable expectation that you will spend the bond proceeds within a 3-year period of time. During those 3 years, the engineers have identified approximately 7.5 million dollars in road improvements. We've sized the bond issue based on the constraints that we discussed earlier and just so happens, your net bond proceeds are approximately 7.5 million dollars. He further stated the city has a strong credit AA rating and it would be nice if we could lock in the rates now, because we can all agree they will rise, but we can't. He stated we are looking at a true interest rate of 1.61% and we've been conservative with that. Further discussion was held regarding having 2 single bonds. Mr. McGow stated there is another reason you have to do them separately. The idea is that the taxpayers are paying mills on the wastewater sewer plant, and after that is paid off, you issue new bonds. Further discussion was held regarding limiting the impact on the taxpayers over the next few years. Councilmember Kurtzweil asked what an unlimited tax bond means. Mr. McGow stated when the voters approve a bond issue it is basically authorizing the city to issue bonds in the amount listed on the ballot and that will give the city a legal ability to levy a debt millage each year in the amount necessary to pay the debt service, and that doesn't count against the city's charter millage levy. Mr. McGow stated bonds are a contract with bond holders, and we can have bonds that can be paid off early if it is in the terms. This would be addressed at the time the bonds are issued. Further discussion was held regarding bonds and paying them off early. City Manager Zelenak explained the difference between the Headlee and the bonds. The language on the ballot will state what the mill will be and that it will be for road improvements as opposed to the Headlee override which would be the city asking for additional mills but without stating what it would be used for.

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NEW BUSINESS

- 1. Purchase of 3 sets of firefighting turnout gear

Chief Vogel stated this is an annual request, we skipped last year due to budget reasons, but we have 3 sets that are over the 10-year mark. We have a good vendor and they have been working with us on price.

CM 7-7-21 MOTION TO APPROVE PURCHASE

Motion by Kennedy, supported by Walton

Motion to award the purchase of three sets of firefighting turnout gear to Phoenix Safety Outfitters for \$8,533.32 from account 101-335-721

ROLL CALL VOTE:

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

MOTION CARRIED UNANIMOUSLY

- 2. Bond counsel agreement

City Manager Zelenak stated based upon the city’s need for review of the agreement for the lease purchase agreement for the fire equipment we are engaging the assistance of Miller Canfield, Inc. We will also be using their services for the road improvement program.

CM 7-8-21 MOTION TO APPROVE HIRING OF MILLER CANFIELD PADDOCK

Motion by Kurtzweil, supported by Kennedy

Motion to approve hiring of Miller Canfield Paddock and Stone PLC to assist the city in the equipment lease purchase agreement for fire equipment and road improvement program

ROLL CALL VOTE:

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

MOTION CARRIED UNANIMOUSLY

BUDGET

Councilmember Kurtzweil stated we approved a different formula for water bills, and she asked if consumption was up or down this year, and are the water revenues are moving up and down. Finance and Benefit Administrator Tiernan stated the water and wastewater flow report that we will receive for the annual audit will give us that answer and she just received it today. She further stated we mailed water bills for March, April and May and they are due July 30th. We will have a better idea after we can look at all the water flow reports and we can compare the water billing in July to where we were last year. She further stated the October billing will reflect June, July and August. Councilmember Kurtzweil asked how we make up for the deficit. Finance and Benefit Administrator Tiernan stated we always skew down a little to ensure we don’t overestimate where we will be due to the pandemic or the rainfall. She hopes we will even out, but may be a little behind the first 2 quarters. Councilmember Kennedy stated we raised the ready to serve charge, so that will help the fixed costs for the water and sewer department, and

the variable cost depending on usage, could save costs in the chemicals and such. Finance and Benefit Administrator Tiernan stated we no longer have the ready to serve charge, we have the meter scale based on the meter size in the home or business. Councilmember Kivell stated over time things will equal out and it will serve us well with the rate increases.

PUBLIC COMMENT

Ryan Lare of 716 Grand Court said he wanted to update the residents that he was driving home from Plymouth when the sever weather hit, they were out walking the dog and watching trains, and they heard the tornado sirens so they headed back to South Lyon. He then said on the way they encountered torrential downpours and rain and they made it home safe and they monitored the weather from channel 7. He then thanked the forecaster at channel 7 for continuing to broadcast. That's important for people all over Oakland and Wayne County. He then gave a video message to the residents that they were safe. He then said he went out the next morning and didn't see much damage, just a few trees down, and he posted that on the weather, police and fire page. He said we were fortunate, he knew Chief Vogel was on the situation quickly, and he then thanked City Council and the first responders and we are lucky to live in the city. His heart goes out to Armada and the other communities impacted by the storms and global warming is happening and he wishes we would stop kicking the can down the road.

MANAGER'S REPORT

City Manager Zelenak stated at a future meeting we will be bringing the purchase of the broadcasting equipment for the council chambers. Also, the Parks and Recreation Master Plan will be on an upcoming agenda. We are scheduled to return to in person meetings on September 13th. Our city staff is monitoring the ever-changing information on COVID 19 and he will continue to update everyone on the county, state and federal guidelines. We have put out a bid for the cemetery and volunteer park grading and he will advise council on the outcome. City Manager Zelenak reminded everyone of the concert in the park and the movie in park this week. He then stated he provided Council with information on the redesign of the website and he will be moving forward with that. It is currently not a functioning website, but Council can look at it to get an idea of what it will look like. He then stated the public hearing for the Mural Ordinance will be happening this Thursday at the Planning Commission. He then stated we will also continue discussions on the road improvement plan.

Councilmember Walton asked when the handicap swing will be installed. City Manager Zelenak stated that is scheduled to be delivered the first week of August. Councilmember Dilg asked about the crosswalk in front of the hotel. City Manager Zelenak stated he will speak with Doug Varney and Chief Sovik about what type of equipment we will be adding. Councilmember Kurtzweil asked about the planning commission meeting and the discussion about the mural ordinance. She stated it is her understanding council shouldn't attend those meetings. Attorney Hamameh stated it is incorporated in the rules and procedures for Council that Councilmembers shouldn't attend those meetings. There is a lot of case law about this and we strongly encourage you not to attend. She further stated if you attend a zoom meeting without your name showing, and if you don't participate, that would be less of a concern. Discussion was held regarding watching the meetings afterwards, although the Council Meetings are the only meetings that are recorded. Councilmember Kurtzweil asked if there are plans to apply for grants to develop McHattie Park. City Manager Zelenak stated we are always looking at grants for items that are addressed in our current year budgets. It is a constant on going thing that we look at. He further stated the Parks and Recreation look for grants as well. Councilmember Kurtzweil then asked why other communities are able to develop their parks while the city is not developing Volunteer Park and McHattie Park. City Manager Zelenak stated he can't answer as to what has happened over the last 10-20 years, but McHattie Park is continually being developed. It would be great if we could spend a lot of money on the

parks, but the majority of the grants are 50+ match grants. City Manager Zelenak further explained what the city and parks and recreation are doing to develop the parks. Councilmember Kivell stated it is his understanding ZBA and Planning are not recorded so we don't have the benefit of watching the meetings after the fact. He further stated he is surprised they aren't recorded and posted as other communities do. That may be something we need to look at. He then stated one of the problems we are having that Milford and Novi doesn't have is they have ITC to cover an enormous amount of the costs at their parks, same as La Fontaine, we need to search for a benefactor that wants to help with our parks.

COUNCIL COMMENTS

Councilmember Kennedy reminded everyone of all the events planned for this coming weekend. First will be the Concerts at the Historical Village on Friday from 7pm until 8:30pm. This week's artist will be Fast Eddie's Band performing 50s, classic rock and blues. Then from 7pm until 9pm in McHattie Park there will be a bounce house and some games to entertain the kids before showing the Movie in the Park when it gets dark. The featured movie will be "Groods, a New Age." The Kiwanis of South Lyon will have hot dogs and popcorn available for purchase for both events. He then stated on Saturday we have the Farmer's Market from 9am until 2pm with the Kona Ice and Motor City Pasty food trucks. Then the all-day Motorfest from 11am until 5pm with the awards being presented from 4pm until 5pm. It will feature lots of classic cars and the band Magic Bus will perform 2 sets, the first will be from 12 Noon until 1:30pm and the second will be from 2:30pm until 4pm. He further stated there will be all kinds of great food with Mancini's Pizza setting up a stand by Providence, the Corner Social, the South Lyon Hotel and the Lake Street Tavern will all be featuring great food and the Geno's Dogs food truck will be stationed by the First Presbyterian Church. He further stated there will something for everyone.

Councilmember Richards stated the museum had 25 visitors on the 18th, but only 4 on the 25th and that was due to the heat. The Historical meeting on the 11th was very well attended in the freight house. He then said that Depot Day is moving along well. He then said he met with Doug Varney about the delays that have gone on for the last 6 weeks at the new water tank, but the work is expected to start up again this week. He stated the clean up near the tube mill has started but will be a long-term affair. He then said there appears to be several homes that were occupied in the last year but are now vacant and there is no for sale sign, and he wants to know why they moved, it is disturbing. He then wished the best for the Motor fest this weekend. He then congratulated everyone running for office this November and he wishes them well.

Councilmember Dilg stated she is looking forward to the concert in the park and movie night, but is disappointed she will be missing Motorfest, but she hopes everyone enjoys it. She then welcomed Curvins Creamery on their opening and they had a ton of business over the weekend. She then wished luck to everyone running for Council and she hopes everyone keeps it positive.

Councilmember Walton stated she was excited to see the creamery open. She then reminded everyone of the movie in the park this weekend, the Groods New Age, it is a good movie and lots of laughs. She said everyone will enjoy that. She also reminded everyone of Motorfest on Saturday and Magic Bus will be playing and you can't go wrong with them, they have a lot of followers.

Councilmember Kivell also reminded everyone of the concert in the park as well as the movie in the park this weekend. He also reminded everyone about Motorfest. It will be nice we have events in our community to visit town and your neighbors. He then stated he went to the creamery and they were very busy and the kids making the ice cream all had a smiles on their faces and kept chugging away. He stated

they had a good crowd each time he went by. He further stated the planning commission meeting is for the mural language and essentially the idea of a council person watching that being conducted seems as benign of an activity as possible. You have the public weighing in on the language and it seems ridiculous that us watching would have some kind of influence. He then stated he is geeked about the Olympics and tomorrow he is hoping Katie Ledecky had 3 races today, the 200, 400 and 1500 and she smoked all of them and she will be back for the finals tomorrow morning. They are all making the best of it.

Councilmember Kurtzweil welcomed all the new employees that are joining our city, specifically the new employees at Buschs grocery store and Lucas Coney Island. She then thanked all the new employees working at Curvins Creamery for stepping in and joining the work place. We are a great city and we support you. She then welcomed back the best maître D ever, if you have ever been in a restaurant where Charles Duty is the maître D, you are in for a treat. She then welcomed him back as one of the best. Councilmember Kurtzweil thanked DPW for all their assistance on their work at Paul Baker Park. She then reminded everyone to join Motorfest and listen to some music and see your neighbors and restaurant owners.

Mayor Pelchat stated he is looking forward to seeing everyone at our events this weekend and he thanked the American Legion for the great golf outing he attended, it was an awesome event.

ADJOURNMENT

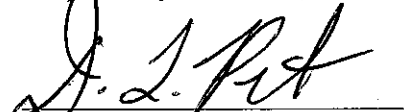
CM 7-9-21 MOTION TO ADJOURN

Motion by Kurtzweil

Motion to adjourn meeting at 9:15 p.m.

VOTE: MOTION CARRIED UNANIMOUSLY

Respectfully Submitted,


Dan Pelchat, Mayor


Lisa Deaton, Clerk/Treasurer