

**CITY OF SOUTH LYON  
REGULAR CITY COUNCIL MEETING  
January 25, 2010**

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

Mayor Wallace led those present in the Pledge of Allegiance to the Flag

PRESENT: Mayor Wallace  
Council Members: Kivell, Kopkowski, Kramer, Morelli, Selden and Wedell  
City Manager Murphy  
City Clerk/Treasurer Zemke  
Department Heads: Collins and Martin  
ABSENT: Attorney Lee

**APPROVAL OF MINUTES:**

**CM 1-1-10 – APPROVAL OF MINUTES- JANUARY 11, 2010**

Motion by Kivell, supported by Morelli

To approve the minutes of the January 11, 2010 Regular Council meeting as presented

VOTE: MOTION CARRIED UNANIMOUSLY

**APPROVAL OF MONTHLY BILLS:** None

City Manager Murphy stated that he would like to add an item for discussion and decision regarding obtaining an easement from CVS for the Nine Mile Road Project. He apologized for adding the item at the last minute, but timing is at issue. He suggested adding the item as New Business 5a as the City Engineers are present and available to answer any questions.

**APPROVAL OF AGENDA:**

**CM 1-2-10 APPROVAL OF AGENDA**

Motion by Wedell, supported by Morelli

To approve the agenda as amended by adding New Business 5a

VOTE: MOTION CARRIED UNANIMOUSLY

**PUBLIC COMMENT:** None

**OLD BUSINESS:**

1. Second Reading: Ordinance to Amend Section 102-203

Mayor Wallace stated that the Planning Commission is recommending an amendment to Section 102-203, Uses Permitted Subject to Special Conditions to allow for landscaping and snow removal vehicle storage in residential districts subject to certain conditions.

Planning Commission Chair Pam Weipert stated that at the last meeting the question was asked if there are any other residential properties that this amendment would apply to. She stated that there are a couple of residential properties along Ten Mile that abut industrial properties. City Manager Murphy stated that most of this property is wetlands that would not allow such a use.

Councilman Morelli stated that when he was on Planning Commission he did not like when Council voted against their recommendation. He questioned why the entire parcel could not be changed to industrial

including the Rose's and Harris' properties. Ms. Weipert stated that one of the problems is that there is only one access point onto the piece of property. The area where the equipment is being stored is at the north end. According to the Planner they could not change the property to industrial with that type of residential access. Further discussion was held on the surrounding area. Ms. Weipert stated that it is a mixed use area. Those that are residential are happy being residential. If it were to be changed to industrial, those residential buildings could not be improved. Councilman Morelli stated that he has a problem with crafting an ordinance so specific for one piece of property.

Ms. Weipert stated that at the last meeting, the question was asked why they simply did not grant a use permit. She stated that this what they are trying to do. The use he is proposing is not one of the uses allowed.

The question was asked if the use is granted, could the property owner rent the space. Ms. Weipert stated that they did not consider the financial aspect between the property owner and the person storing the equipment.

Councilman Morelli asked why they are allowed to store equipment on the Rose property which is also residential without special use approval. It was stated that it is grandfathered. The use was there prior to any zoning changes.

Discussion was held on the limitations that are built into the ordinance. It was stated that typically you would have a transitional zoning between industrial and residential.

Discussion was held on grooming ordinances for one specific property. Councilman Kivell stated that there is no special use which addresses this type of activity, therefore it would seem the most reasonable way to address this issue rather than manipulate zoning. Councilman Kramer stated that his problem is where it is going to stop and what are we going to say to the next property owner who wants the ordinance to change for his specific needs. It was stated that this is a unique circumstance and we should not look at changing zoning that would affect other people's property. Councilman Morelli stated that he can see the property developed or redeveloped as light industrial as opposed to residential given the characteristics of the area.

Ms. Weipert stated that when the Planning Commission did the last update to the Master Plan, they did not look at future land use, but rather did a limited update. They will be looking at another update, and the future land use is something that they do need to take a closer look at. She further stated that when someone comes in with a rezoning request, they do consider their particular circumstances. If they can change the zoning and it conforms to the Master Plan then they do that. However, they look at all the different planning mechanisms.

Councilman Kivell stated that he thinks that the activity that will be allowed to take place will go unseen by the area.

Councilman Wedell stated that he understands the objections that have been raised and agrees with some of them in large part, but the Planning Commission spent a considerable amount of time on this issue and have presented what they feel is the most logical solution. He is willing to trust the Planning Commission to do that before bringing something before Council.

#### CM 1-3-10 – SECOND READING – AMENDMENT TO SECTION 102-203

Motion by Kopkowski, supported by Selden

That this be the second reading and adoption of an amendment to the City Code, Section 102-203 (see attached amendment as part of these minutes)

VOTE:

MOTION CARRIED (2 OPPOSED)



2. Second Reading: Ordinance to Amend Section 94-194 and 94-196

It was stated that no changes have been made since the first reading. It was stated that this amendment deals with the elimination of the \$75 per hydrant charge from General Fund to the Water Fund. It also changes the late charge for delinquent utility bills to a one-time penalty of 10%

CM 1-4-10 – SECOND READING – AMENDMENT TO SECTION 94-194 & 94-196

Motion by Wedell, supported by Morelli

That this be the second reading and adoption of an amendment to the City Code, Section 94-194 & 94-196 (see attached amendments as part of these minutes)

VOTE:

MOTION CARRIED UNANIMOUSLY

3. Second Reading: Ordinance to Amend Section 98-33

Councilman Kivell stated that although Section 98-33(a) was changed to address the administrative fee, (b) still indicates a ten percent administrative fee. City Clerk/Treasurer stated that the we need to strike "ten percent of such cost to cover contingent expenses against the owner" and add together with the administrative fee as set forth by the City's fee schedule".

CM 1-5-10 – FIRST READING – AMENDMENT TO SECTION 98-33

Motion by Selden, supported by Kivell

That this be the first reading and adoption of an amendment to the City Code, Section 98-33 eliminating the 10% administrative fee and including a flat administrative fee within the fee schedule in both paragraph (a) and (b) (see attached amendment as part of these minutes)

VOTE:

MOTION CARRIED UNANIMOUSLY

**NEW BUSINESS:**

1. First Reading: Ordinance to Amend Section 98-31

Councilman Kivell stated that this amendment would reduce the allowable height of weeds of any kind from 12 inches to 8 inches. Councilman Kivell stated that at the last meeting Council discussed that this change would give the Building Inspector the ability to act more quickly on weeds. He stated that he does not know how necessary this is. This was originally brought forward by the Planning Commission to address foreclosures in subdivisions and give us the ability to react more quickly. However, that ordinance is typically used for the more open lots and those who habitually ignore the ordinance. This deals with noxious weeds, not lawns. Mayor Wallace stated that most neighborhoods take care of the foreclosed homes and police themselves.

Planning Commission Chair Weipert stated that their intention was to impact properties in subdivisions and they were informed that this is the ordinance that would address that issue.

Discussion was held on changing the height to 8 inches or 10 inches. Ms. Weipert stated that the Planning Commission is asking for 8 inches. City Manager Murphy stated that it was his recommendation to go with 10 inches.

CM 1-6-10 – FIRST READING – AMENDMENT TO SECTION 98-31

Motion by Selden, supported by Kivell

That this be the first reading of an amendment to the City Code, Section 98-31 (see attached amendment as part of these minutes)

Ms. Maggie Kurtzweil of 939 Westhills Drive stated that the Planning Commission did do a lot of research on this ordinance. This is the ordinance that controls subdivisions with respect to blight. The problem is when a homeowner is about to default, they do not turn their water on the grass. The grass becomes a field of weeds. She stated that she has seen it in almost all subdivisions. She would ask Council to assist everyone in the community by adopting the proposed change.

Discussion was held on how homeowner's associations handle these problems and the rules of the association. It was stated that in most cases, the association board will call the City when they have a problem.

Councilman Kivell asked if we are going to have a building inspector going from subdivision to subdivision to make sure that property owners are maintaining their lawns and shrubs. Councilman Kramer stated that we can educate the homeowner's associations to police their own subdivisions. If there is a problem then they just have to call the City. Further discussion was held on the ability of the building department to enforce the ordinance.

Mr. Bill Winegarden of Lafayette Woods asked if they are in a private development, then does the building inspector have the right to come into that private development to check their weeds. He stated that he feels that the inspector has no right to be in a private development. It was stated that the City has the ability to enforce ordinances on all properties within the City. Discussion was held on the effect of noxious weeds on surrounding areas.

VOTE:

MOTION CARRIED UNANIMOUSLY

2. First Reading: Ordinance to Amend Section 94-67

Mayor Wallace stated that this amendment would require any new development or any redevelopment to dedicate the fire hydrants to the City.

CM 1-7-10 – FIRST READING – AMENDMENT TO SECTION 94-67

Motion by Wedell, supported by Kramer

That this be the first reading of an amendment to the City Code, Section 94-67 (see attached amendment as part of these minutes)

Councilman Morelli stated that he would also like to see a similar ordinance requiring all water and sewer mains be dedicated to the City. It was stated that this will be the next step. It was decided that the two issues would be separated.

VOTE:

MOTION CARRIED UNANIMOUSLY

3. 501-C-3 Recognition of the High School

Mayor Wallace stated that this request is from the South Lyon High School all night party. They have been conducting these parties for 8-10 years for the students after graduation. This would allow them to conduct various fund raising functions.



City Clerk/Treasurer Zemke stated that they have provided the proper paperwork indicating that they do have the 501-C-3 status.

#### CM 1-8-10 – LOCAL GOVERNING BODY RESOLUTION FOR CHARITABLE GAMING LICENSES

Motion by Selden, supported by Kopkowski

That the request from South Lyon High School Project Graduation of South Lyon, County of Oakland asking that they be recognized as a nonprofit organization operating in the community for the purposes of obtaining charitable gaming licenses be considered for approval.

VOTE:

MOTION CARRIED UNANIMOUSLY

#### 4. Computer Services Retainer Agreement

Mayor Wallace stated that we have a recommendation by our City Clerk to enter a computer services retainer agreement. This company has been doing business with the City for quite some time.

Councilman Selden stated that this company has done some work on his computer and they are very reliable and reasonable.

Councilman Kivell stated that it seems that the 4% escalation in cost seems excessive in these economic times. However it is being recommended and he will not object.

Councilman Wedell asked if this is something that we should have bid out or is this company better qualified because of the long history we have with them. City Manager Murphy stated that we did look at another company that he was familiar with and thought very highly of, but we did consider the relationship with the City. City Clerk/Treasurer Zemke stated that Tech Resources actually offered a more comprehensive package dealing with security, annual maintenance, etc. not just repairs, but an overall picture where a lot of the others did not. We want to look at the longevity of our systems so that we do not have to replace equipment as often.

The question was asked if we contacted any of the other cities that use them to see if they have had any problems. City Clerk/Treasurer Zemke stated that she has been in contact with many of the different communities. One of the biggest things with this company is their familiarity with Oakland County and their systems as well as their contacts at the County level. There are a number of communities that use them and recommend them highly.

Councilman Kramer asked how many companies submitted bids. City Clerk/Treasurer stated that we received one written proposal other than Tech Resources, but she did talk with other companies as well.

Discussion was held on the cost of the remote back up service. City Clerk/Treasurer Zemke stated that if we enter into the Computer Services Agreement, the monthly cost would be \$69.95 per month as opposed to the \$99.95 per month if we do not enter the retainer agreement.

#### CM 1-9-10 – PROFESSIONAL COMPUTER SERVICES AGREEMENT

Motion by Wedell, supported by Selden

To approve the three year Independent Contractor Agreement for Professional Computer Services between the City of South Lyon and Tech Resources, Inc. as proposed including Appendix A, Remote Back-up Service Agreement

VOTE:

MOTION CARRIED UNANIMOUSLY

5 (a). Easement at 9 Mile and Pontiac Trail

City Manager Murphy stated that we were successful in receiving \$509,000 in stimulus money for the Nine Mile Road project from Pontiac Trail to Dean Drive. As part of that, last June our engineers found out that we do not have an easement at the corner of Pontiac Trail where the existing CVS is located,. The City Attorney has been trying to work with the property owners for the past several months to try to obtain that easement. They know that we need that easement and want to charge us \$6,750 for their attorney fees and they want us to do an ALTA survey in exchange for that easement. This just came about last Thursday after agendas went out and we have to have the easement to MDOT by the end of this month, which is the end of this week or we will lose the stimulus funds. The City Attorney was able to negotiate them down from \$9,000 to \$4,750. We are projecting to start the project in June when the school is out for the summer so we do not create havoc with parents and busses.

Councilman Kramer questioned why we are in this position.

Council Member Kopkowski stated that there is a public sidewalk on a private piece of property. When that property was developed there had to be a site plan. She asked who did not follow through on that site plan to make sure that we are not in this position. City Manager Murphy stated that it was on the site plan but it was never conveyed to the City. The question was asked who was to record it and who would be responsible if this were to take place now. City Manager Murphy stated that it would probably be the developer.

City Manager Murphy stated that he does not like to be in this position, but we are dealing with a time frame problem.

Councilman Kivell asked if we could go back after the fact to try and recoup those costs. It was stated that if we pay it, we are acknowledging that we owe it.

City Manager Murphy stated that again it was on the site plan, but it did not get recorded. He further stated that he does not know what happened. He was not here at that time. There seems to be some disconnect. His theory is that the City usually receives dedication of easements or utilities when there is a public road that is being dedicated. When that did not happen, it failed to get recorded. This may also be what happened with the private hydrants as there would not be a road dedication involved.

The question was asked who is responsible to make sure that it gets recorded this time. City Manager Murphy stated that there will be several people ensuring that it is done.

Further discussion was held on what could have happened when the CVS site plan was complete. City Manager Murphy stated that he simply does not know, does not know what the policies were at the time, etc.

Mr. Jessee VanDeCreek of HRC stated that when they were given the design work for the 9 Mile Road job, they did a title search for all the properties along the route. At that time, they found that the ½ right-of-way was not dedicated. They spoke with the City Attorney. The existing 33 foot easement only goes to the back of the concrete curb. The sidewalks were set at the 60 foot ½ right-of-way so there would be no reason they would not believe that everything was being followed by the approved site plan. The Attorney has been arguing this with the property owner since July. From the engineers perspective the developer was to complete the dedication and by not doing it would make them in violation of the site plan. They do not do the developer's engineering work.

Councilman Kramer stated that if we do not do this, we lose the stimulus funding. If we do, what guarantees do we have that the property owners will complete the deal. Mr. VanDeCreek stated that he understands that this is the last item that is needed in order to obtain that easement. If this gets approved, that easement is to be in his office by Wednesday.



Council Member Kopkowski asked if HRC is going to do the ALTA survey. Mr. VanDeCreek stated that they can. City Manager Murphy stated that it has not yet been scheduled pending approval. Council Member Kopkowski asked where we received the price for the survey. City Manager Murphy stated that our engineers provided that information. Council Member Kopkowski asked why the price is so high. Mr. VanDeCreek stated that there are different requirements for the ALTA survey. HRC's right-of-way expert gave us that price based on his experience. He further discussed what is involved in this type of survey. Discussion was held on the request by the property owner for this specific survey.

Councilman Kivell discussed the CVS site plan and the problems with the development.

Discussion was held on the recording of the easement. Mr. VanDeCreek stated that the City Attorney has indicated that he will ensure that is done.

Discussion was held on the need to have policies in place so that these items do not fall through the cracks in the future. Councilman Kramer stated that Council needs to know what went wrong and who ultimately is responsible. Council is being asked to approve payment for something that we should not have to.

#### CM 1-10-10 – APPROVAL OF AGREEMENT WITH THE 9 MILE/PONTIAC TRAIL PROPERTY OWNER

Motion by Kivell, supported by Morelli

To approve the agreement with the owners of the property at the northwest corner of Pontiac Trail and 9 Mile for the purchase and dedication of the easement including the payment of attorney fees and completion of survey under the direction of the City Manager

City Manager Murphy stated that the check will not be handed over until we have a signed easement. Councilman Kramer asked if Council could receive a copy of the completed agreement.

VOTE:

MOTION CARRIED UNANIMOUSLY

Discussion was held on the length of time it took to reach an agreement. Councilman Kivell stated that it is not easy when you are being "stone-walled". Councilman Wedell stated that there are multiple concerns. We are having the same problem with the dedication of the fire hydrants and mains. It is not just one problem but rather problems throughout multiple developments. He would further ask the City Manager to look into this and provide Council a report.

#### 5. Adoption of City Fee Schedule

Councilman Selden asked about the dog license fees. City Clerk/Treasurer Zemke stated that is not a City fee but a County fee.

Councilman Morelli questioned the DPW fees and when they are charged. City Clerk/Treasurer Zemke stated that these fees relate to the film ordinance.

#### CM 1-11-10 – APPROVAL OF CITY FEE SCHEDULE

Motion by Kivell, supported by Wedell

To approve the proposed Fee Schedule as presented

VOTE:

MOTION CARRIED UNANIMOUSLY

## 6. DWRF Water Main Improvements

Jessee VanDeCreek from HRC stated that on November 23, 2009 they had made a presentation regarding the DWRF Water System Improvements. Council had asked that they suspend engineering services on the project until some additional questions were answered with regards to the financial impact to the City. He made a brief presentation including the existing system conditions, historical system expenditures, 1999 to present water main breaks, etc. He further discussed the consequences of no action or delay alternatives. He discussed the DWRF water main replacement versus the cost of a 20-year water main replacement program including long term and annual cost comparisons and the annual repair and replacement costs on a per user basis. Mr. VanDeCreek compared the City's quarterly water rates to surrounding communities with their own water system. He discussed the DWRF advantages including avoiding escalating project costs, highly competitive bidding environment, greater project size equals greater project savings, water main replacement in problem areas thus fewer water main repairs and reduced water losses. He stated that this would be all included in the Segment I Projects. He discussed the Segment II Projects including back-up water treatment facility generator, elevated and ground storage tank inspection and maintenance, removal and replacement of the induced draft aerator and investigation of a new well site as a secondary ground water supply. He discussed the implementation of Segment II including studies and evaluations and plan submittal to MDEQ for DWRF funding. Mr. VanDeCreek provided a breakdown of both Segment I and Segment II costs.

Mr. VanDeCreek discussed the ARA funds and how the funding was determined and how those funds will be distributed. He stated that if there were any other funds that would become available, it would behoove the City to stay on the list to be considered for ARA funds. We do not know what is going to happen, but the monies go to the projects that are "shovel ready".

Councilman Kivell stated that there was some discussion of the possibility of additional "Obama Bucks" being put forward and asked if we could freeze our position in preparation of that taking place, if we qualify. Mr. VanDeCreek stated that until we know what the new provisions will be, he is not sure. However, the City is in line with everything they have asked us to do to qualify for the 2.5% loan interest loan.

Councilman Kivell stated that he believes that there is not anyone who does not understand the value of this package, but it is the concern that it is punitive to our residents in this difficult economic time.

Mayor Wallace asked if the cost estimates include the repairing and repaving of the roads, etc. as well as the tap in for each house. Mr. VanDeCreek stated that it includes the water main itself and construction of a new lead from the main line to and including the curb-stop shut-off box. They would notify a resident if they find a service that needs to be replaced. The question was asked if the inside of the homeowner's pipes are in the same condition as the mains. Superintendent Martin stated that we would be talking about copper lines for homes that would not react the same way steel lines in the ground do.

Discussion was held on the funding coming into the program to allow for the low interest loan.

Discussion was held on the degrading service as a result of the condition of the water mains. The question was asked if they could be lined or bored. Mr. VanDeCreek stated that they cannot be lined because they are too small. The diameter does not even meet the City's minimum standards. The condition and the age of these pipes would prohibit boring.

Mr. VanDeCreek stated that in order to meet the 4<sup>th</sup> quarter schedule, they need to adopt some user rate based system and get on board with the State by mid March. The alternative would be to inform the State that we are going to let the money go to a contingent project and back off and re-compete in the future.

Discussion was held on the rate increases to the residents.



Discussion was held on the addition of approximately five miles of lines when and if the private developments are accepted into the City's system. It was stated that even if we proceed with the project, there will still be some maintenance and repairs that are needed. Councilman Wedell stated that there will never be a good time to do this project. The economy will never get that much better and our property taxes will never improve that much.

Councilman Kramer asked if we could budget increases over a period of years rather than have such a large increase and dedicate that money for a down payment. Councilman Wedell stated that the problem is that you still have to add that money to the bill. Councilman Kramer stated that he is suggesting an increase over a period of time and make sure that money is dedicated to water main replacement. Councilman Wedell stated that we pay now or we pay later.

Councilman Morelli stated that Segment I affects those with 4 inch mains, Segment II affects everyone. Superintendent Martin stated that Segment II is the operation of the plant itself. The clarity of the water is what we would be addressing. He stated that the idea of sinking a test well for a second aquifer for the City leaves a legacy for future South Lyon residents for an alternative source of water. He stated that when we had a massive power outage, it did not affect the City's water system because of the standby power. This equipment is getting very old and if we need to depend on them for longer than 24 hours, it becomes an issue. This package includes things that will safeguard our community. Councilman Morelli stated that Segment II is much more of a safeguard than Segment I. Discussion was held on the proposed second water source. Superintendent Martin stated that the proposal is to sink 1-2 test wells and run pipe to the existing water plant assuming the vicinity of Griswold. Further discussion was held on Segment II. Mr. VanDeCreek stated that all of these issues were submitted indicating that these are the needs that were brought up by the City's water vulnerability assessment. The only reason there is a Segment II is that the State said they would only fund Segment I right now. We cannot switch and do Segment II right now.

Councilman Morelli stated that if we look at taking over the private mains, the addition of the 7% increase that Plante Moran said we should do as well as this, in 5 years our water rates are going to double. That is what he is wrestling with. He is not arguing whether or not it needs to be done. He is simply wondering whether it needs to be done now.

Discussion was held on the chart comparing our rates with other communities. Councilman Kivell stated that we do appear low, but the other communities are trying to address some of these issues already. It does not make it any easier.

Motion by Kopkowski

To postpone the DWRF project indefinitely

Motion failed due to lack of support

Councilman Kramer indicated that the City Manager recommended that we postpone moving forward with the project. City Manager Murphy stated that the reason for that recommendation is that he had talked with another engineer who indicated that if we did postpone it, then we could wait until another program involving additional stimulus money. However, that was incorrect according to our engineers. If we did postpone it now, we will not be in line for that money. He further stated that it is never going to be an easy decision.

Mr. Keith McCormack of HRC stated that the deadline that we are up against is trying to keep Segment I in line for this year's DWRF. In order to do that we need to complete the plans and specifications. The plans are 2/3 done. If we were to complete those, it would keep the City in line for monies for this year. Council can make that decision later or look at different financing options. If you wait to complete the plans, you would be in a different line. Council asked that they stop with the drawings and they did. However, Council may want to consider completing the plans and they can work with the City Manager for different alternatives. That way Council can still consider the options and still not lose the place in line. Mr. VanDeCreek stated that the deadline they are looking at is March 15<sup>th</sup>. At that point they need to have



submittal of plans and specifications. The same day, we need to submit a draft user charge system. Councilman Wedell asked if the plans are good if we do not use them at this cycle. Mr. VanDeCreek stated that they would be finished and ready to use later. Councilman Kopkowski stated that if we are not going to proceed with Segment I then we do not need to go through and finish the plans right now. Councilman Wedell stated that if we do not have the plans, then we are making the decision to not complete Segment I with this year's stimulus money thereby limiting our options.

Councilman Kramer stated that the biggest decision is do we go through the stimulus funding at 2.5%. He stated that before voting on this he would like to explore how we can pay for this other than just hitting the residents with a quarterly increase. Mayor Wallace stated that if this is tabled for two weeks then the engineers would be under pressure to complete the submittal. Discussion was held on the cost to complete the plans. Mr. VanDeCreek stated that it would be approximately \$200,000. It was stated that this would be a cost incurred no matter when we do it.

Additional discussion was held on the funding of the project. Councilman Wedell stated that if we are looking at alternative funding, it will not go very far. It is an enterprise fund that must fund itself.

Further discussion was held on the need to complete the plans for Segment I to make it "shovel ready". It was stated that Segment I is the only thing being considered at this time. Superintendent Martin stated that the reason the mains are being addressed now is that the Federal government considered it a "green project" which is why it was put ahead of the other things. We did not choose that. Councilman Kivell stated that the reason that we pursued this is because we had stimulus money available. Further discussion was held on the priorities of the project aspects.

Councilman Wedell stated that the recommendation was to postpone the project until more information is available and asked when that additional information would be available. City Manager Murphy stated that his recommendation would not be to postpone at this point based on the latest information. He would recommend to move forward. We have to do the design in order to move forward. At some point we are going to have to do this. The design can sit on the shelf for the next few years if need be. We can bring in some financial people to see if there are other options, but he does not see that there are any other options. People are going to have to pay for it. Councilman Morelli stated that if we are not going to move forward with Segment I, we can authorize the design later.

Councilman Kivell asked the engineer's cost to create the package to submit for the funding. Mr. VanDeCreek stated that is part of the current contract. Council Member Kopkowski asked if there is an expiration of that contract. Mr. VanDeCreek stated that he does not believe that there is an expiration, but they want to work with the City and make sure there is a successful project. The biggest issue is to not let the opportunity go by. Councilman Kivell asked if we need to recreate the package for submittal next year, how much additional funds would be needed. Mr. VanDeCreek stated that it would be administrative costs for working with DWRF and if it is set aside for a year, then there will be some additional start-up reactivation costs.

Councilman Wedell asked if we budgeted the money for the completion of the plan. City Manager Murphy stated that it was not originally budgeted because it did not get started until after the budget had been set. Superintendent Martin stated that we will have to do a budget amendment. Mr. VanDeCreek stated that if this goes forward to the DWRF, all of the engineering expended to date would be available as a first draw. We would get the money back but paid over the 20 years.

Councilman Kivell stated that he is looking at this as it is never going to be fun or painless, but it will always be necessary whether it is done in pieces or a comprehensive project. By continuing with the plans, it will keep the project moving forward until the decision is made to quit or postpone.



CM 1-12-10 – COMPLETION OF PLANS FOR SEGMENT I DWRP PROJECT

Motion by Kivell, supported by Wedell

To direct Hubbell, Roth and Clark to complete the plans and specifications for the Segment I DWRP Project

ROLL CALL VOTE:

MOTION CARRIED

Kivell – Yes  
Kopkowski – Yes  
Selden – Yes  
Wallace – No  
Wedell – Yes  
Kramer – No  
Morelli – Yes

7. Goals for Manager

Councilman Kivell stated that the last time Council approved goals for the City Manager, it was done to correspond to the end of the fiscal year, which seems to make sense. He feels that we should extend the goals that the City Manager is already operating under. There is nothing that has been completely concluded. He stated that he wanted to bring this up now because the last time seemed to be a very long process and wanted to help familiarize the new members of Council with the process.

Councilman Kramer stated that he would like the City Manager to look at a multi-year budget with projected revenue.

Councilman Wedell made the following suggestions and stated that he would like to meld them with the goals that Council adopted the last time:

- Prepare and present a balanced budget for FY 2010-2011 using a minimal amount of Fund Balance
- Quarterly Reports on both Revenue and Expenditures (or at the minimum 2<sup>nd</sup> and 3<sup>rd</sup> quarterly reports)
- Plan for a 2-year budget
- Continued progress on the Main Street project
- Maintain pressure on owners of dilapidated properties

Mayor Wallace stated that he would like to see us reactivate talks with Lyon Township for shared services. He stated that we feel as a City that we could provide police services at \$500,000 or more less than what they are paying now. We could provide better coverage and we would have a sergeant on duty where they do not at night. He further discussed the advantages of shared police services. We do have a large Police Department and could accommodate them. Councilman Kivell stated that he is hoping that with the cooperation between the two Fire Departments that it will become contagious.

Mayor Wallace discussed budget cuts. City Manager Murphy stated that budget cuts are always on the forefront.

Councilman Kivell stated that he would like to see us accelerate our review of nonconforming properties and not just with blight issues. He stated that we need to be more aggressive.

Council Member Kopkowski stated that she would like to see more of a plan or a direction for budget cuts. She would like to see more of the process, things that were looked at. She stated that she would like to see a freeze on hiring. City Manager Murphy stated that we have not hired anyone in quite some time. Council Member Kopkowski stated that does not mean that you have a freeze on hiring. She stated that in talking about shared services, she would like us to look both internally and externally. Possibly look within our own departments for areas where we can cut.



Councilman Morelli stated that we need to maintain the communications with the Chamber of Commerce and the DDA. We need to continue discussions with Lyon Township. He further stated that the most difficult is going to be the budget. He discussed decreasing revenues. He discussed the affects of Proposal A on the values and how the taxable value decreases when it reaches the SEV level. Discussion was held on the affect the Board of Review appeals may have on the taxable value and revenue for the City. Councilman Wedell stated that Equalization Department's estimates are what the actual values are. He stated that the bigger concern is not the residential property owner but the commercial.

Discussion was held on how to proceed with the goals. Councilman Kivell stated that he does not think that we need something solid until the beginning of the fiscal year. Discussion was held on having the City Clerk compile and summarize what has been discussed.

#### 8. MML Capital Conference

Council indicated that they would let the City Clerk know whether they would be attending the Conference being held at the Lansing Center prior to the early registration deadline.

#### **MANAGER'S REPORT:**

City Manager Murphy stated that he has provided Council with some information from the Road Commission regarding the speed limit on Ten Mile Road. He would like Mr. Keller from the Road Commission to come to a future meeting to discuss the issue. Councilman Morelli stated that there is an elementary crosswalk at Ten Mile and Warren and asked if this would make a difference in the setting of that speed limit. City Manager Murphy stated that when this was brought to his attention, he did make further contact with Mr. Keller who indicated that it makes no difference. Mayor Wallace stated that the City pays for those crossing guards, not the schools. Councilman Kivell stated that there had been some turmoil some time back about the speed limit on Dixboro. At that time it was indicated that the new law would enable them to change the limit to a residential speed. He discussed the area of Griswold between 8 and 9 Mile and their ability to maintain the residential speed limit and how that area compares to the 10 Mile stretch.

City Manager Murphy stated that there is a 1<sup>st</sup> Annual Snowball Dance at the South Lyon Hotel for local families with terminally ill children. They would like three firefighters to attend in uniform to serve alcohol as guest bartenders. We have a policy which does not allow firefighters to go into drinking establishments in their uniforms. He would be inclined to say "No" but would like Council's input. Councilman Kramer asked if they could do this without wearing their uniform. City Manager Murphy stated that they could not have any insignia identifying them as firefighters. Chief Kaska stated that this is a one-time occasion. The question was asked if they would be serving alcohol. Chief Kaska stated that they would be guest bartenders. It was stated that Lyon Township firefighters will be participating. City Manager Murphy stated that this could bring up some liability issue. Councilman Kramer stated that this would open up a lot of liability issues by having employees of the City of South Lyon serving liquor. The consensus of Council is that the South Lyon Firefighters should not participate in the event although it is a worthy cause.

City Manager Murphy stated that at some point he would like to discuss with Council where they would like him to bring in the budget including certain cuts, use of fund balance, instituting furlough days, cuts across the board, etc.

Councilman Wedell suggested to start with the most accurate as possible revenue estimate. Once we have an idea of the actual, realistic revenues, we can start building the expenditure budget. City Manager Murphy stated that he starts with the revenue projections and then also include expenses as part of the process. He is asking for some parameters. Councilman Kramer stated that he would like to see a balanced budget including how much is going to be taken out of fund balance in order to balance it. Councilman Morelli stated that part of the reason for fund balance is for times like this. Therefore, he does not see a problem with using a little bit of it. Councilman Wedell stated that every municipality and the State are cutting so



there will have to be some cuts. City Manager Murphy stated that many municipalities do not have a fund balance for the "rainy days". Councilman Kramer stated that we need to see the expenditures and how much of the fund balance is proposed before Council can say what to cut. Council Member Kopkowski stated that she would like the City Manager to bring Council a budget and indicated what has been done, but also present some options for cutting back. Councilman Kivell stated that in the past we have tied the budget to quality of service. We need to decide what services can be cut back that are acceptable to Council and assign those costs. There are certain things that are out of our control such as utilities, etc.

City Manager Murphy stated that currently we are in need of appointments to both the Board of Review and the Housing Commission. Mayor Wallace stated that he has been working on recruiting applicants.

**COUNCIL COMMENTS:**

Councilman Selden stated that he would like to see a report from the City Attorney regarding what has been happening with the building at McHattie and Pontiac Trail and get a schedule of when the building will be cleaned out.

Mayor Wallace stated that there are a number of trees that need to be replaced especially along the new streetscape that was completed last year. Also, there are trees with samplings, etc. that need to be maintained. He would like to see us doing something this spring to update our trees and possibly installing some new trees in some of the open areas.

**ADJOURNMENT:**

**CM 1-13-09 ADJOURNMENT**

Motion by Kivell, supported by Kramer

To adjourn meeting at 10:13 p.m.

VOTE:

**MOTION CARRIED UNANIMOUSLY**

Respectfully submitted,

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Tedd M. Wallace  
Mayor

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Julie C. Zemke  
City Clerk/Treasurer