

**CITY OF SOUTH LYON
SPECIAL CITY COUNCIL MEETING
JANUARY 19, 2011**

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, and Wedell
City Manager Murphy
City Clerk/Treasurer Zemke
Attorney Lee
Department Heads: Martin and Renwick
ABSENT: Council Member Selden

CM 1-1-11 – EXCUSE ABSENCE

Motion by Kivell, supported by Kopkowski

To excuse the absence of Councilman Selden

VOTE:

MOTION CARRIED UNANIMOUSLY

APPROVAL OF AGENDA:

CM 1-2-11 APPROVAL OF AGENDA

Motion by Wedell, supported by Morelli

To approve the agenda as presented

VOTE:

MOTION CARRIED UNANIMOUSLY

PUBLIC COMMENT: None

OLD BUSINESS: None

NEW BUSINESS:

1. Discussion on Private Utilities

City Manager Murphy stated that approximately two years ago, Council decided that fire hydrants within private developments should be inspected on an annual basis and an ordinance was adopted to address those issues. The first year these inspections were done by the City. After that, Council determined that the City should take over those hydrants. Approximately four developments have come in requesting to do that. The question was then asked if we should also look at accepting all of the water and sewer mains as well. He stated that there certainly will be an expense if we take over those utilities. He further stated that it is his feeling that these should have been taken over by the City long ago. The reason being is that he feels that the utilities should be under the City's control. It is not in the best interest of the City if we have portions of our water system not under our control. He discussed the uncertainty of repairs to the system in the future.

Discussion was held on how the potential extra repairs and maintenance would be paid. It was stated that water and sewer is an enterprise fund and supported through user fees. Further discussion was held on costs incurring as a result of taking over these mains.

Discussion was held on only the mains being taken over up to the stop just like any other house in the City. If there is a problem beyond that, it would be their responsibility. Attorney Lee stated that he is concerned that we do not have individual stops for the individual units or buildings. The City's responsibility for the lines only goes up to the stop. If it doesn't have a stop, it could be argued that we own all the way to the faucet.

The question was asked why a development, other than single family, would have a choice to have public or private water and sewer. Attorney Lee stated because they were a single customer for water and sewer.

Attorney Lee discussed his concerns over the sewer due to the fact that the Michigan Supreme Court back in 2004 ruled that sewer back-ups were considered a nuisance and there are stricter liabilities on the part of the City for back-ups that occur within the City portion of the sewer. We are unable to obtain insurance to cover those losses.

Discussion was held on the fact that all of these private developments have different ages and the engineering standards of those times would have also been different. Discussion was held on certain developments that have mains that run along the edge of the buildings and other similar issues.

Discussion was held on the need to have as-built plans for these developments. Discussion was held on why the City does not have these for various developments. It was stated that we have plans for everything that has been built since HRC has been our engineers. The question was asked if our previous engineers would have these plans. City Manager Murphy stated that we can check with them. Mr. VanDeCreek of HRC stated that in 1994 they worked with the City and the out-going engineers to gather all of the data that they had available and combined that with what DPW and the Water Department had. There are still no records for some of these. Further discussion was held on why we do not have these records.

Discussion was held on ownership of the lines. Attorney Lee stated that we own the lines up to the stop of the development. Once that enters into the development it is the association or owner's responsibility.

City Manager Murphy stated that when a developer comes in with a plan, the City has to apply for a permit to the DEQ so our people have to sign off on it. Attorney Lee stated that would be for capacity, not for the operational aspects.

Mr. Claude Danielson stated that they went back to the original engineer of their development and he found all of the drawings. He is waiting to hear what they need to complete this. He further stated that something needs to be done with the City's archives. City Manager Murphy stated that we have searched for the records. We are trying to help.

Discussion was held on the need for guidelines to determine whether we take the lines over or not. It was stated that we need to come to an agreement on what we think is okay in order for us to assume responsibility.

Superintendent Martin stated that they feel comfortable taking over the fire hydrants in these developments. He explained the two types of hydrants as well as cost of a transition kit from one manufacturer to the other. He further stated that we have 100% working hydrants in the City.

Discussion was held on the repairs that were being proposed to be done through the DWRF. Discussion was held on the additional cost and increases to the water bills for just this one section. Councilman Kramer stated that he is looking at possible repairs and replacement of mains into the future in some of these developments, and some of which are 45-50 years old.

Further discussion was held on the proposed DWRF project. Mr. VanDeCreek stated that this project was to upgrade all of the 4" and 6" mains including 4 miles of mains at a cost of 6.2 million dollars. In the private developments, there are approximately 9,000 feet of 4" and 6" main. The question was asked when we could anticipate replacing these mains. Mr. VanDeCreek stated that it would vary between 20-40 years.

Discussion was held on the varying circumstances amongst the 26 developments. It was stated that only a handful of these developments have approached us to have their lines dedicated so some may not want to. It was suggested that we look at each of these requests on a case by case basis. It was stated that we still need to set the criteria for which we will accept. Attorney Lee stated that we are not going to go out and condemn these to accept them into our system. We are only going to consider those that request it. The first question to be answered is, are we going to send notice to the developments that if you want to bring your development into compliance with our requirements, we would be willing to entertain and accept public dedication.

Discussion was held on setting a time limit to make these requests. Councilman Kivell stated that he does not think that we should have a time limit. The only advantage he can see of having a window would be financial planning.

Mr. Bruce Nussbaum of Lafayette Woods stated that if you are talking about taking over the water and sewer system for public safety then you almost have to try and get everyone to comply. He further stated that their attorney has advised them to get as-builts, but if they do that now for the hydrants and then want to add water and sewer, they will have to pay additional money to have engineers come out and do another set of drawings. Why would they have to have additional expense because the City cannot make a decision. He further discussed the fact that they have to spend money because the City does not have proper records. It was stated that the developer did not provide those documents to the City. Mr. Nussbaum stated that the City did not require them to.

Councilman Wedell stated that Mr. Nussbaum has a good point. We started off talking about fire hydrants, which is a public safety issue and agreed that the City should control the hydrants. Then we talked about the fact that the hydrants are connected to the mains and maybe we should talk about controlling that as well. Looking at the disparity between the developments, we should simply make a policy statement that we are in favor of taking over the sewer and water distribution systems. Within that statement we should indicate that each community may have to be addressed separately, possibly with different agreements. He would suggest that Council confine themselves to the policy and let the details be worked out individually.

Councilman Kramer stated that he feels that if we take them over, it should be all or nothing. It was stated that there is an expense to these developments. Councilman Kramer stated that if we are going to have a policy that we should own the water mains and sewer mains so that it is under the City's control, it should be everyone. If we do not, and one of those individual developments not under our control fails, it would affect the whole City. Attorney Lee stated that if they do not come in voluntarily, then you have to condemn them, which is a very large expense. He further stated that we have the ability to isolate a development and cut them off until repairs are made.

Discussion was held on setting a policy that every development from this point forward will have their water and sewer dedicated to the City.

Mr. Jerry Chaundy stated that Quail Run supplies Glenwood Shopping Center. He stated that they have as-built drawings and are ready to go. If they had a policy, they could proceed.

Mayor Wallace stated that we need to establish the policy and give the City Manager and City Attorney a sense of direction.

Discussion was held on South Lyon Woods. It was stated that this is a different situation as they are a single user who re-sells the water.

Discussion was held on determining the standards that were used when the individual developments were built. Discussion was held on determining the location, depth, type of material, etc.

Councilman Wedell stated that this is something that has developed over many years, and we are not going to solve it over night. We can set the policy that we desire to bring these utilities into the City and start "chipping" away at it.

CM 1-3-11 – POLICY FOR ACCEPTING WATER & SEWER MAINS WITHIN PRIVATE DEVELOPMENTS

Motion by Wedell, supported by Morelli

To set the policy that the City will accept public dedication of water and sewer lines within private developments after meeting the criteria set by the City Manager, City Attorney and department heads

Discussion was held on whether these developments have funds set aside for repairs to their systems. The question was asked that if they do, should those funds also be given over to the City.

VOTE:

MOTION CARRIED UNANIMOUSLY

MANAGER'S REPORT: None

COUNCIL COMMENTS:

Councilman Morelli stated that he will be absent from the next two Council meetings.

Mayor Wallace stated that Councilman Selden has been very ill, and we wish him the best.

Mayor Wallace stated that he will not be in attendance at the next Council meeting.

ADJOURNMENT:

CM 1-4-10 ADJOURNMENT

Motion by Kopkowski, supported by Kramer

To adjourn meeting at 8:44 p.m.

VOTE:

MOTION CARRIED UNANIMOUSLY

Respectfully submitted,

Tedd M. Wallace
Mayor

Julie C. Zemke
City Clerk/Treasurer