

# **Regular City Council Meeting**

## **April 22, 2013**

### **Agenda**

**7:30 p.m.**      **Call to Order**  
**Pledge of Allegiance**  
**Roll Call**  
**Approval of Agenda**  
**Minutes – April 8, 2013**  
**Public Comment:**

**I.      Old Business**

1. None

**II.     New Business**

1. Fair Housing Proclamation
2. City Wide Yard Sale
3. Rock Salt Contract
4. Expanded Mutual Aid Agreement
5. E. Lake Street Design Agreement
6. Budget Amendments
7. Water Rate Adjustment

**III.    Manager's Report**

**IV.    Council Comments**

**V.     Adjournment**

CITY OF SOUTHLYN  
REGULAR CITY COUNCIL MEETING  
APRIL 8, 2013

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, Rzyzi, Wedell, Kramer, Dixon

Also Present: City Manager Murphy, Department Head Martin, Chief Collins, Chief Kennedy,  
City Attorney Wilhelm and Clerk/Treasurer Deaton

MINUTES

Councilman Kivell stated on page 2, the sentence should be, he stated there are templates from other communities we can use to create bylaws for a Cable Commission.

CM 4-1-13 MOTION TO APPROVE MINUTES

Motion by Kramer, supported by Wedell

Motion to approve minutes as amended

VOTE:

MOTION CARRIED UNANIMOUSLY

MONTHLY BILLS

Some discussion was held regarding the monthly bills.

CM 4-2-13 MOTION TO APPROVE MONTHLY BILLS

Motion by Kivell, supported by Dixon

Motion to approve the payment of monthly bills

VOTE:

MOTION CARRIED UNANIMOUSLY

AGENDA

City Manager Murphy stated he would like to add an item for an employee buyout as item #5.

CM 4-3-13 MOTION TO APPROVE AGENDA

4/8/13

Motion by Wedell, supported by Kivell  
To approve the agenda as amended

VOTE:

MOTION CARRIED UNANIMOUSLY

PUBLIC COMMENT:

James Ramsey of 896 Oak Creek stated he is concerned regarding the rail road tracks on 9 Mile near Griswold and the rail road tracks by 10 Mile and Reynold Sweet Parkway. They are both in really bad shape and need to be repaired. City Manager Murphy stated that we have met with the rail road, and we have to go through MDOT because it is a county road. MDOT set up a meeting with them, and they didn't bother to show up. They were able to contact them on the phone, and they did say they will be working on that whole area in 2014. In the meantime they are supposed to fix some issues, but it won't make it a lot better. City Manager Murphy stated maybe if more people call and complain to them, it will possibly put more pressure on them to get it done sooner than later.

Bruce Nussbaum of 525 Willow stated he is working with a local group called Operation Injured Soldiers, and all the money donated is used for injured soldiers. They are always looking for volunteers to go hunting, fishing or other things with the soldiers. They have a lot of equipment that helps the injured to get out and still enjoy outdoor sports like hunting and fishing. It is a great way to give back, and they are a great group of guys. He further stated he hopes more people will get involved with the group.

OLD BUSINESS: None

NEW BUSINESS:

1. Request for closing portion of Liberty Street

Chief Collins stated this is the next step in facilitating the move of the Farmers Market from Wednesday to Saturdays. The DPA has requested to close a small portion of West Liberty from Pontiac Trail to just east of the AT&T building during the Farmers Market. This will ensure the safety of the people walking between the two lots.

Discussion was held regarding closing the street at Washington. It was decided that they will put a small road block at Washington stating the road is closed ahead.

CM 4-4-13 MOTION TO CLOSE A PORTION OF LIBERTY STREET

Motion by Kramer, supported by Rzyzi

Motion to authorize the closure of W Liberty Street from Lafayette to just east of the AT&T driveway on Saturdays, from 7 a.m. to 4 p.m. May 23<sup>rd</sup>, 2013 through October 10<sup>th</sup>, 2013.

VOTE:

MOTION CARRIED UNANIMOUSLY

## 2. MMRMA GRANT- FIRE DEPARTMENT

Chief Kennedy stated the MMRMA grant is through our risk liability carrier. The Police and Water Departments have also used grants from them. This is for an online fire officer command program. This was submitted back in November, and is a very lengthy process. It is a 50% grant, so we will need to submit payment, and then show proof of attendance, and we will be reimbursed 50%.

### CM 4-5-13 MOTION TO APPROVE MMRMA GRANT FOR FIRE DEPARTMENT

Motion by Kopkowski, supported by Kivell

Motion to approve the expenditure of \$3,080.00 for the Blue Card Command training to receive a 50% reimbursement grant from MMRMA

VOTE:

MOTION CARRIED UNANIMOUSLY

## 3. FIRE DEPARTMENT EXPANSION OF MUTUAL AID COVERAGE AREA

Chief Kennedy stated we have a great mutual aid system with 3 different communities. He and Chief McClain of Lyon Township Fire Department are hoping to expand the existing mutual aid agreement. He stated they have discussed taking it a step further, and go beyond the standard structure fire, and expand it to other emergency incidents. Some departments are closer when incidents occur than others due to the geography of this area, such as the Lyon Township islands, located in the City. He further stated they are currently trying to figure out the dispatch side. He would like to retract the motion he was asking for, and just let Council know that he will be bringing this back to the Council in May. More discussion was held regarding the expansion of the current mutual agreement.

## 4. CABLE ACCESS CHANNEL DISCUSSION

Councilman Kivell stated he hopes members of Council had a chance to read over the examples of bylaws from other communities. This is the first sensible step in establishing a new era of cable for the City of South Lyon. He further stated there are many people in the community who want to get involved with the content of the current cable channel.

Councilman Kramer stated he doesn't think it is a good idea to have the City running a cable channel without knowing how much money it will cost. Councilman Kivell stated the cable commission would find the best solution to provide the best service and quality for the City. More discussion was held regarding forming a commission.

Councilmember Kopkowski stated she wants to make sure we are fair to everyone, including the people we have the current contract with. The current contract expires January 2014, and it states any citizen or organization that may have an issue with the programming, must first contact SLCTV and if no resolution can be found, they could then contact the City of South Lyon. She further stated this may be

premature, considering the contract isn't up until January. Attorney Wilhelm stated the discussion of forming a commission is not premature, but if a committee was formed, it would have to take into account when the current contract is up for renewal. Further discussion as held regarding the current contract.

Bruce Nussbaum of 525 Willow stated it is his understanding that less than 25% of the City residents have WOW cable. He is getting the feeling Council wants Tedd to keep running the channel until they find someone different and he doesn't feel that is fair to the Mayor or the City. He further stated the fair thing is to form a committee and give SLCTV another year under contract.

Councilman Ryzyi stated he feels that we should give the current contract another year, he also stated generally, private entities do a better job than government, and he would like it to be kept in the private enterprise. He further stated he feels there will be more of a cost to the tax payers if we change the current arrangement.

Carol Segal of 240 Brookwood stated she thinks this is witch-hunt. She was under the impression that the cable is a community channel and they accepted volunteers to run it. She further stated she sees no reason to have a commission to try drum up business for the City to run its own cable channel. She further stated if the Council wants to do a service for the community, they need to get a new cable company so WOW has competition. Ms. Segal stated the videos that are on the current channel are really cute, and her family enjoys them. She further stated Council needs to try to get volunteers to help Tedd with the content and the running of the cable channel.

Jay Hammer of 413 Wellington stated he has been a tax payer here for 20 years. He doesn't have cable, but he doesn't want his tax money that goes into the general fund taken away from that and used towards the cable station. Not many taxpayers watch the cable channel, therefore you would be spending everyone's tax money on a channel for a few people. He suggested that maybe the schools could get involved and help with the videos for the cable channel. He further stated \$50,000 a year is a large amount of money and it could go towards fixing the roads and lights, not running a cable channel.

Councilman Wedell stated he would like more information. We need to know who owns what, and who is willing to do what, as well as who will oversee the process.

#### CM 4-6-13 MOTION TO FORM A CABLE COMMISSION

Motion by Kivell,  
Motion to form a Cable Commission

VOTE:

MOTION FAILED WITHOUT SUPPORT

5. Employee Buyout

4/8/13

City Manager stated Lt Sharp had approached him regarding a retirement buyout. He further stated they negotiated a price of \$17,000 for the lump sum. He further stated his position would be replaced by a Sergeant, and the Sergeants position with an officer, who will not be replaced. He further stated this will be a great savings to the City, and next year it will be a substantial savings. The one lump sum payout will not go towards the FAC or affect the pension, he has worked with Lt Sharpe and the attorney to make sure the City will be held harmless. It will take place at the end of the next payroll period on the 16<sup>th</sup> of April.

#### CM 4-7-13 MOTION TO APPROVE EMPLOYEE BUYOUT

Motion by Kramer supported by Kopkowski

Motion to authorize the further negotiation and final finalization of the documents between the parties.

VOTE:

MOTION CARRIED UNANIMOUSLY

#### MANAGERS REPORT

City Manager Murphy stated he will be attending the Capital Conference this week. He further stated he has ordered a new computer because his hard drive crashed. He has a company in Livonia working on it trying to restore the budget information that was on it, so it will be just a little bit longer before the budget will be finished.

#### COUNCIL COMMENTS:

Councilman Kramer stated there will be a Recreation Center meeting on April 15<sup>th</sup> at 7:00 at South Lyon City Hall and as always the public is welcome and encouraged to come.

Councilman Kivell stated he received a call from the 911 reverse systems regarding a 50 year old man who went missing. He stated it is a great way to get the information out. Chief Collins stated there are 3 different mechanisms that can be used. He further stated the person was found and ended up being fine.

Mayor Wallace stated the Easter egg hunt was a huge success and a lot of fun for the kids. He stated the Kiwanis did a great job. He further stated the Farmers Market is growing, and there are up to 50 vendors and he hopes it will be a success.

#### CM 4-7-13 MOTION TO ADJOURN

Motion to adjourn meeting at 8:45

Motion by Kopkowski, supported by Kramer

4/8/13

VOTE:

MOTION CARRIED UNANIMOUSLY

---

Tedd Wallace, Mayor

---

Lisa Deaton, Clerk/Treasurer

DRAFT

# **AGENDA NOTE**

**New Business: Item #1**

**MEETING DATE:** April 22, 2013

**PERSON PLACING ITEM ON AGENDA:** City Clerk/Treasurer

**AGENDA TOPIC:** Fair Housing Month April, 2013

**EXPLANATION OF TOPIC:** April is Fair Housing Month in Oakland County. This year marks the 45<sup>th</sup> anniversary for the National Fair Housing Law under Title VII of the Civil Rights Act of 1968. Fair Housing month is designed to heighten people's awareness of their rights under the law.

**MATERIALS ATTACHED AS SUPPORTING DOCUMENTS:** Proclamation and notice from L. Brooks Patterson, Oakland County Executive.

**POSSIBLE COURSES OF ACTION:** Approve/do not approve the resolution/proclamation designating April 2013 Fair Housing Month.

**RECOMMENDATION:** Approve the resolution/proclamation designating April 2013 Fair Housing Month.

**SUGGESTED MOTION:** Motion by \_\_\_\_\_, supported by \_\_\_\_\_ to approve the resolution/proclamation designating April 2013 Fair Housing Month in the City of South Lyon, Oakland County, Michigan.



**City of South Lyon**

**PROCLAMATION**

**Fair Housing Month**

**WHEREAS** the month of April, 2013 has been declared Fair Housing Month in Oakland County, Michigan in recognition of the 45th anniversary of the signing of the Federal Fair Housing Law under the Civil Rights Act; and

**WHEREAS** this landmark law along with other federal and state legislation strictly prohibits housing discrimination on the basis of race, color, sex, national origin, age, martial status, religion, disability or family status; and

**WHEREAS** Fair Housing Month is designed to heighten people's awareness of their rights under the law when pursuing the purchase or rental of housing; and

**WHEREAS** Oakland County residents are urged to contact Oakland County's housing counselors in its Community & Home Improvement Division if they think they have been the victims of housing discrimination.

**NOW THEREFORE LET IT BE KNOWN** that the Mayor and City Council hereby designate the month of April 2013 as "Fair Housing Month" in the City of South Lyon.

In Witness Whereof, I hereunto set my hand and caused the Seal of the City of South Lyon, Michigan to be affixed this 16th day of April, 2013.



-----  
Tedd M. Wallace, Mayor



April 1, 2013

Dear Friends,

April is "Fair Housing Month" in Oakland County. Every resident has an equal right to housing based on need and financial ability. After all, having a place to call home is the American dream.

This year marks the 45<sup>th</sup> anniversary of the National Fair Housing Law under Title VIII of the Civil Rights Act of 1968. The Fair Housing Amendments Act of 1988, State of Michigan legislation and other laws guarantee all citizens equal opportunity in securing housing of their choice regardless of race, color, sex, national origin, age, marital status, religion, disability or family status. Laws apply to the sale, rental, financing and advertising of housing nationwide.

Fair Housing goals are included in the Community Development Block Grant (CDBG), Emergency Shelter Grant, Housing Opportunities for Persons with AIDS, and Home Investment Partnerships programs from the U.S. Department of Housing and Urban Development (HUD). Communities which receive these funds have a local responsibility to further fair housing. Some actions that may be taken to meet this obligation are outlined below:

- Develop a local public awareness campaign to educate citizens of their rights under fair housing laws and where they can get help. **Post the enclosed Fair Housing poster in a prominent location.**
- Urge those discriminated against to file complaints with HUD by calling 800-669-9777, TDD 800-927-9275 or on-line at [hud.gov/discrim.html](http://hud.gov/discrim.html).
- Introduce a proclamation or resolution about fair housing before your governing body.
- Pass a fair housing ordinance reinforcing existing federal and state laws.
- Encourage realtors, developers, appraisers, landlords and others in the housing service field to further fair housing for lower income households and expand housing opportunities for all.
- Increase participation of those protected by fair housing laws in local housing programs.

Contact a housing counselor at Oakland County Community & Home Improvement Division, 248-858-1891, or the Fair Housing Center of Metropolitan Detroit, 313-963-1274, with any questions or for help in developing local fair housing initiatives.

While April is designated "Fair Housing Month," fair housing advocacy and practices should be an on-going commitment on the part of everyone.

Thank you for your commitment to ensuring fair and equal housing opportunities for all.



L. Brooks Patterson  
Oakland County Executive



Karry Rieth  
Manager, Community &  
Home Improvement

# **AGENDA NOTE**

**New Business: Item #2**

**MEETING DATE:** April 22, 2013

**PERSON PLACING ITEM ON AGENDA:** City Clerk/Treasurer

**AGENDA TOPIC:** Waiver of Permit Fee for City-wide Garage/Yard Sale

**EXPLANATION OF TOPIC:** Years ago, City Council established an annual City-wide garage/yard sale. Many residents look forward to the annual City-wide garage/yard sale. It has become a large event with many households participating drawing a large number of people to our community.

**MATERIALS ATTACHED AS SUPPORTING DOCUMENTS:** N/A

**POSSIBLE COURSES OF ACTION:** Approve/do not approve the waiver of fees for those residents wishing to participate in the 2013 City-wide Garage/Yard Sale to be held on Friday May 3<sup>rd</sup>, Saturday May 4<sup>th</sup>, and Sunday May 5<sup>th</sup>.

**RECOMMENDATION:** Waive the \$5 per household permit fee for those who wish to participate in the City-wide Yard Sale

**SUGGESTED MOTION:** Motion by \_\_\_\_\_, supported by \_\_\_\_\_ to waive the Garage/Yard Sale permit fees for Friday May 3<sup>rd</sup>, Saturday May 4<sup>th</sup> and Sunday May 5<sup>th</sup> 2013 for households who wish to participate in the City-wide Yard Sale.

# AGENDA NOTE

New Business: Item #3

**MEETING DATE:** April 22, 2013

**PERSON PLACING ITEM ON AGENDA:** Robert J. Martin, Department of Public Works

**AGENDA TOPIC:** Rock Salt Bid 2013-2014

**EXPLANATION OF TOPIC:** It is time to renew our rock salt contract for 2013/2014. We are currently in the third year extension of our two year contract with the Oakland County Consortium. This past year we requested 900 tons from the Consortium with 70% of that amount guaranteed by us to purchase. If need be we can purchase up to 130% of our estimated usage. This year, we received 874.6 tons and 31 additional tons carried over from the 2011-2012 season for a total of 905.6 tons. We currently have 150 tons of salt in the City salt storage shed waiting for next winter. This has been a very compatible agreement with the County.

There is also an opportunity to purchase salt from MiDeal through the State of Michigan. This is a different type of contract since you submit road salt tonnage in the spring; they then put it out to bid. As a customer you don't know the pricing until August at the earliest. This is difficult for communities such as ours because we do not know the price we will be paying until September (at the earliest).

**MATERIALS ATTACHED AS SUPPORTING DOCUMENTS:** Extension letter from the Detroit Salt Company to the Oakland County Road Commission. Letter from the Consortium to proceed with the approval process to Detroit Salt with our volume commitment. List of communities in Oakland County that are participating with the Consortium this year.

**POSSIBLE COURSES OF ACTION:** To approve or not approve the Rock Salt Contract.

**RECOMMENDATION:** We have been with the Consortium for the past two years under the same contract. The Consortium is extending the contract for the third year and the pricing will be the same as it was last year, \$46.51 per ton delivered. This gives us a secure figure we can rely upon for budgetary purposes. For this reason, I recommend approval of the extended contract with the Oakland County Consortium and the Detroit Salt Company.

**SUGGESTED MOTION:** Motion by \_\_\_\_\_, supported by \_\_\_\_\_ to approve the





Oakland County Road Commission  
Office of the Director  
2420 Pontiac Lake Road  
Waterford, MI 48328

Attn: Mary N. Gillis, P.E., Director of Central Operations

RE: Third Year Extension on April 19, 2011 Salt Bid

Dear Ms. Gillis,

As per the letter dated March 20, 2013, please consider this response as Detroit Salt Company's confirmation to extend the term of the MITN De-Icing Salt contract for another year with the following changes. The term of the extension will be for one year, beginning May 1, 2013 and ending on April 30, 2014. The contract price will be the same as last year, \$46.51 per ton delivered and the quantity provided under this extension will be 70,000 tons. There will still be a min/max as per the original contract. If you have any questions or need anything else please feel free to contact our office at any time.

Sincerely,

Emanuel Z. Manos  
President

**From:** Michael Lasley [MLasley@fhgov.com]  
**Sent:** Friday, March 29, 2013 9:28 AM  
**To:** McCarthy, Kevin; bbohlen@ci.rochester.mi.us; bnabors@cityofwarren.org; Brisson, Dan; Calley, Robert; ddrysdale@cityofriverview.com; Devin Adams; dgrice@auburnhills.org; dmathews@gpwmj.us ; Doug Ballard; farrisj@rochesterhills.org; Gerry McCallum; gregr@ci.royal-oak.mi.us; Jim\_Buhlinger; JStrizic@RCMCWeb.org; Larry Hunter; Lasley, Michael; Lconway@CI.ROMULUS.MI.US; Imcgill@walledlake.com; MSlater@ci.livonia.mi.us; Mueller, Jeff; pvandamme@Roseville-mi.gov; Randy Altimus; Steve Renwick; RITCHIEM@southfield.k12.mi.us; rmelchert@auburnhills.org; ron.smith@metroparks.com; rtownsel@cityofsouthfield.com; sforeman@rcoc.org; Smith, Brent; Tim@scsmi.net; Treppa, Craig; ttanghe@auburnhills.org  
**Cc:** Mary Gillis  
**Subject:** Rock Salt - Final Confirmation  
**Attachments:** Detroit Salt 2013 Ext confirmation.pdf; Rock Salt 13-14.xls

Good Morning...happy Good Friday,

Attached please find the written confirmation from Detroit Salt extending last years price. There was an option to exercise a price increase which DS elected to not do.

Please proceed with you approval process and provide WRITTEN NOTICE either by purchase order, memo, etc. to Detroit Salt of your volume commitment. I have also attached all members who replied and their estimated volume. Please remember its 70% guaranteed and because of the one year duration there will be no carry over. Use your crystal ball and plan accordingly! Most everyone meet this years minimum with no issues.

Thank you for your participation and assistance with this process.

Best Regards,  
Mike

Michael Lasley, CPPB  
Director of Central Services  
City of Farmington Hills, MI  
[v]248-871-2425 [f]248-871-2431  
[www.fhgov.com](http://www.fhgov.com)  
[www.mitn.info](http://www.mitn.info) (bids/quotes)





City/State	Estimated quantity (tons)
Auburn Hills, MI	2,000
Berkley, MI	1,200
Clawson, MI	1,400
Farmington Hills, MI 48336	5,000
Lathrup Village, MI	
Milford, MI	250
Shelby Twp, MI	300
Dexter, MI	100
White Lake, MI	100
Brighton, MI	50
Harrison Twp, MI	100
Orchard Lake, MI	500
Rochester, MI 48307	1,000
Rochester Hills, MI	3,500
Royal Oak, MI	6,500
Southfield, MI	12,000
Southfield, MI	300
Southfield, MI	650
South Lyon, MI 48178	900
Walled Lake, MI	950
Milford, MI 48381	18,300
Davisburg, MI 488350	15,150
Lake Orion, MI 48350	17,000
Waterford, MI 48328	16,500
Southfield, MI 48034	13,250
Troy, MI 48083	9,800
<b>Oakland County Total</b>	<b>126,800</b>
Washington, MI 48094	2,500
New Haven, MI 48048	3,000
Clinton, MI 48035	5,000
Shelby, MI 48315	3,000

\*

CVT	PARCEL ID	S.D.	TAX YEAR	ADM FEE	CVT PENALTY	LOCAL INTEREST
80	21-29-229-073	240	2009	7.66	22.99	75.46
80	21-29-229-073	240	2010	6.84	20.52	46.63
80	21-29-229-073	240	2011	6.40	19.22	25.89
TOTAL PAID THIS DISTRIBUTION				20.90	62.73	147.98
GRAND TOTAL						231.61



# **AGENDA NOTE**

**New Business: Item #4**

**MEETING DATE:** April 22, 2013

**PERSON PLACING ITEM ON AGENDA:** Fire Chief Mike Kennedy

**AGENDA TOPIC:** Dual Response Agreement with the Charter Township of Lyon

**EXPLANATION OF TOPIC:** SLFD has been in discussion with the Lyon Township FD to expand upon our existing mutual aid agreement. The current automatic mutual aid agreement is for structure fires. This Memorandum of Understanding would expand the agreement to have SLFD respond on emergency incidents along the Pontiac Trail corridor and portions of the Charter Township of Lyon surrounded by the City. Also, Lyon Township FD would assist SLFD with fire incidents during weekdays.

It is estimated this may add an additional four responses per month for SLFD.

**MATERIALS ATTACHED AS SUPPORTING DOCUMENTS:** Final MOU.

**POSSIBLE COURSES OF ACTION:** Approve/do not approve the Memorandum of Understanding with the Charter Township of Lyon to expand the current fire service mutual aid agreement.

**RECOMMENDATION:** Approve the Memorandum of Understanding with the Charter Township of Lyon to expand the current fire service mutual aid agreement.

**SUGGESTED MOTION:**

Motion by \_\_\_\_\_, supported by \_\_\_\_\_ to approve the Memorandum of Understanding with the Charter Township of Lyon to expand the current fire service mutual aid agreement.

# Memorandum of Understanding

---



## **PURPOSE**

This "Memorandum of Understanding" expands upon the current Oakland County Mutual Aid Association agreement that the City of South Lyon and Charter Township of Lyon have previously adopted. This agreement does not modify or replace the dispatch process or apparatus assignments for structure fires governed by the Mutual Aid Box Alarm System (MABAS).

The Charter Township of Lyon and City of South Lyon enter into this "Memorandum of Understanding" to provide expedient emergency fire and EMS service to those areas of the Charter Township of Lyon that are proximate to the City of South Lyon fire station. The Charter Township of Lyon will assist the City of South Lyon for incidents during the hours of the South Lyon Fire Department's weekday shift program.

Either entity may terminate or amend this agreement as it pertains to responses within their municipality at any time with or without cause.

The authority having jurisdiction will make the determination on requesting mutual aid assistance. This determination will be made on case by case basis. Neither department will self-dispatch without being officially requested by the authority having jurisdiction.

For EMS incidents, the agency initiating patient care will complete the Oakland County Medical Control Authority Patient Care Form and fax a copy to the authority having jurisdiction.

## **CHARTER TOWNSHIP OF LYON**

The Lyon Township Fire Department maintains its role as the Authority Having Jurisdiction (AHJ) for all incidents within the Charter Township of Lyon.

The City of South Lyon shall not bill the Charter Township of Lyon for these responses. Upon request by the Charter Township of Lyon, City of South Lyon may provide a bill for purposes of cost recovery.

**I. Lyon Township Potential Incidents**

- a. Within the Charter Township of Lyon map sections 18-3, 19-1, 19-3, 29-3, 30-1, 30-3, 31-1, 31-2, 31-3, 31-4, 32-1, 32-2, 32-3, 32-4.

- i. EMS incidents**

- 1. "Delta" and "Echo" responses
    - 2. Motor vehicle crash with injury

- ii. Fire incidents**

- 1. Vehicle fire
    - 2. Grass / brush / wild land fire
    - 3. Dumpster fire with exposure
    - 4. Inside smoke investigation
    - 5. Natural gas leak – inside or outside

**II. Lyon Township Excluded Incidents**

- a. Within the Charter Township of Lyon map sections 18-3, 19-1, 19-3, 29-3, 30-1, 30-3, 31-1, 31-2, 31-3, 31-4, 32-1, 32-2, 32-3, 32-4.

- i. All other incidents, not described above. Additionally, this agreement does not apply to the following incidents.

- 1. Burning complaint
    - 2. Carbon monoxide incident without symptoms
    - 3. Citizen assist
    - 4. Fire alarms (no additional report of smoke / fire)
    - 5. Motor vehicle crash without injury i.e. environmental clean-up
    - 6. Non-emergency calls for service
    - 7. Odor complaint
    - 8. Outside smoke investigation
    - 9. Tree down
    - 10. Unknown motor vehicle crash
    - 11. Wire down

**III. Incident Notification**

- a. For incidents where the Lyon Township Fire Department (LTFD) is requesting assistance from the South Lyon Fire Department (SLFD), LTFD shall contact Novi Dispatch on LYF\_FD1 and request that the SLFD be dispatched to the incident.
- b. Radio traffic for the responding units will be handled by each agency's respective dispatch center.

**IV. South Lyon Fire Department Response**

- a. SLFD will respond with one apparatus on requested incidents.
- b. If a SLFD apparatus arrives on scene prior to LTFD, SLFD will not cancel LTFD but will simply advise if LTFD can proceed normal traffic. For all incidents in the Charter Township of Lyon, SLFD will transfer command to LTFD upon the arrival and briefing of the LTFD.

## **CITY OF SOUTH LYON**

The South Lyon Fire Department maintains its role as the Authority Having Jurisdiction (AHJ) for all incidents within the City of South Lyon.

The Charter Township of Lyon shall not bill the City of South Lyon for these responses. Upon request by the City of South Lyon, the Charter Township of Lyon may provide a bill for purposes of cost recovery.

### **I. City of South Lyon Potential Incidents**

- a. Dual response within the City of South Lyon shall only be in effect during the hours of SLFD's day shift program. SLFD's day shift program usually occurs on weekdays between the hours of 7:00 AM and 4:00 PM. SLFD does not staff its day shift program on City holidays, and this dual response will not be in effect on these days.

#### **i. EMS incidents**

- 1. Cardiac arrest – CPR in progress
- 2. Motor vehicle crash with injury

#### **ii. Fire incidents**

- 1. Vehicle fire
- 2. Grass / brush / wild land fire
- 3. Dumpster fire with exposure
- 4. Inside smoke investigation
- 5. Natural gas leak – inside or outside

### **II. City of South Lyon Excluded Incidents**

- a. City of South Lyon.
  - i. All other incidents, not described above. Additionally, this agreement does not apply to the following incidents.
    - 1. Burning complaint
    - 2. Carbon monoxide incident without symptoms
    - 3. Citizen assist
    - 4. EMS incident – except as defined above
    - 5. Fire alarm (no additional report of smoke / fire)
    - 6. Motor vehicle with or without injuries
    - 7. Non-emergency calls for service
    - 8. Odor complaint
    - 9. Outside smoke investigation
    - 10. Tree down
    - 11. Unknown motor vehicle crash
    - 12. Wire down

**III. Incident Notification**

- a. For incidents where the South Lyon Fire Department (SLFD) is requesting assistance from the Lyon Township Fire Department (LTFD), SLFD shall contact Oakland County Dispatch on LYF\_FD1 and request that the LTFD be dispatched to the incident.
- b. Radio traffic for the responding units will be handled by each agencies respective dispatch center.

**IV. Lyon Township Fire Department Response**

- a. LTFD will respond with one apparatus on requested incidents.
- b. If a LTFD apparatus arrives on scene prior to SLFD, LTFD will not cancel SLFD but will simply advise if SLFD can proceed normal traffic. For all incidents in the City of South Lyon, LTFD will transfer command to SLFD upon the arrival and briefing of SLFD.

CHARTER TOWNSHIP OF LYON  
"LYON TOWNSHIP"

By: \_\_\_\_\_  
Lannie Young  
Its: Supervisor  
Date: \_\_\_\_\_

By: \_\_\_\_\_  
Michele Cash  
Its: Clerk  
Date: \_\_\_\_\_

CITY OF SOUTH LYON  
"SOUTH LYON"

By: \_\_\_\_\_  
Tedd Wallace  
Its: Mayor  
Date: \_\_\_\_\_

By: \_\_\_\_\_  
Lisa Denton  
Its: Clerk  
Date: \_\_\_\_\_

# AGENDA NOTE

New Business: Item #5

**MEETING DATE:** April 22, 2013

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

**AGENDA TOPIC:** E. Lake Street Project

**EXPLANATION OF TOPIC:** At the City Council Meeting of March 25, 2013 the Council approved the design portion of the E. Lake Street Road Project so that the Engineers can design the project and bid it out. The cost of the design and topographic services were \$20,800. Since that time the City has been approved to receive funds to extend the project west to Dixboro Road. Therefore, I am asking the City Council to approve an agreement between the City and HRC to preform preliminary engineering, topographic survey and design services on E. Lake Street from the rail road tracks west to Dixboro Road in the amount of \$53,300.

**MATERIALS ATTACHED AS SUPPORTING DOCUMENTS:** Cost estimate from HRC for the design and construction of E. Lake Street from the rail road tracks west to Dixboro and a project cost breakdown..

**POSSIBLE COURSES OF ACTION:** Approve/deny the design services agreement with HRC in the amount of \$53,300 for E. Lake Street from the rail road tracks west to Dixboro.

**RECOMMENDATION:** Approve the design services agreement with HRC in the amount \$53,300 for E. Lake Street from the rail road tracks west to Dixboro.

**SUGGESTED MOTION:** Motion by \_\_\_\_\_, supported by \_\_\_\_\_ to approve the design services agreement with HRC in the amount of \$53,300 for E. Lake Street from the rail road tracks west to Dixboro.





**HUBBELL, ROTH & CLARK, INC**  
**Consulting Engineers**

**Principals**  
George E. Hubbell  
Thomas E. Biehl  
Walter H. Alix  
Peter T. Roth  
Michael D. Waring  
Keith D. McCormack  
Nancy M.D. Faught  
Daniel W. Mitchell

**Senior Associates**  
Gary J. Tressel  
Kenneth A. Melchior  
Randal L. Ford  
Timothy H. Sullivan

**Associates**  
Jonathan E. Booth  
Michael C. MacDonald  
Marvin A. Olane  
William R. Davis  
Jesse B. VanDeCreek  
Robert F. DeFrain  
Marshall J. Grazioli  
Thomas D. LaCross  
Dennis J. Benoit  
James F. Burton  
Jane M. Graham  
Donna M. Martin  
Charles E. Hart

April 9, 2013

City of South Lyon  
335 South Warren  
South Lyon, MI 48178

Attention: Mr. David M. Murphy, City Manager

Re: **Lake Street Pavement Rehabilitation – Dixboro Road to CSX RR**  
Proposal for Professional Engineering Services

HRC Job No. 20120685.02

Dear Mr. Murphy:

At your request, we have reviewed the limits of the proposed Lake Street Pavement Rehabilitation – Dixboro Road to CSX RR. We understand that the City wishes to upgrade the existing pavement cross-section in an effort to meet the minimum criteria that are outlined in the City of South Lyon Standard Engineering Specifications and Road Commission Standards. Note that this estimate does not include any utility work.

We have prepared a preliminary construction cost estimate that includes the following major items of work:

1. Mill the existing pavement bituminous pavement from curb to curb and edge to edge from the Dixboro Road right-of-way to the CSX Railroad right-of-way.
2. Overlay the milled section with a bituminous overlay that meets Road Commission for Oakland County (RCOC) standards.
3. Remove and replace any existing damaged brick pavers and concrete materials at the crosswalks located within the Pontiac Trail & Lake Street intersection as necessary.
4. Stripe the new bituminous pavement to match the existing road striping and parallel parking space layout.
5. In order to address areas of minimal asphalt pavement thickness a cost has been budgeted for the removal and replacement of a portion of the existing pavement and sub base section with undercutting as necessary. Final quantities will be calculated during the design phase.

Based upon our preliminary project cost estimates, the following Table 1 is a summary that reflects the preliminary apportionment of costs that will be incurred to each of the City budgets for streets, water and sewer improvements, respectively. The table reflects a 10% contingency on the estimated construction costs. This is in line with standard estimating procedures for road rehabilitation projects of this type.

Y:\201206\20120685\06\_Corrs\Proposal\02Proposal.docx

50 Cherry Street  
Mt. Clemens, Michigan 48043  
Telephone 586 569 5000 Fax 586 569 0119  
www.hrc-engr.com

**Engineering. Environment. Excellence.**

**Table 1:**

	<b>Streets</b>	<b>Water</b>	<b>Sewer</b>
Apportioned Construction Cost =	\$533,200.00	\$0	\$0
Construction Cost Percentages =	100.00%	0%	0%
Apportioned Contingency Fees =	\$53,320.00	\$0	\$0
Apportioned Engineering Fees =	\$133,300.00	\$0	\$0
<b>Total Apportioned Costs =</b>	<b>\$719,820.00</b>	<b>\$0</b>	<b>\$0</b>

Attached herewith, please find the itemized preliminary project cost estimates for construction of the improvements as illustrated herein.

Our fees for this project would be based on providing preliminary engineering, design, bidding and construction engineering services, as well construction observation. Our tasks can be summarized as follows:

- Collect field data of the existing roads, utilities, and topographic information necessary to prepare construction drawings.
- Prepare preliminary construction drawings and specifications.
- Prepare applications obtain clearance from DNR, SHPO, and MDOT Road Agency Programming Division as required for TEA program funding.
- Prepare permit applications for necessary Road Commission for Oakland County, Soil Erosion Control, and Michigan Department of Environmental Quality permits.
- Prepare an engineer's estimate of construction cost for the Owner's review and submission to MDOT.
- Provide Grade Inspection (GI) engineering.
- Engineer Final Plans at submit to MDOT Local Contract Agency with request to advertise for bidding.
- Distribute plans for bidding, review bids, and make recommendation of award to the City and MDOT.
- Provide field layout staking for alignment, and utilities.
- Provide construction engineering services including contract administration, review of contractor pay estimate requests, change orders, interpreting the construction documents for the contractor, and keeping the City informed of the progress of the work.
- Provide materials testing services for quality control including compaction testing for sub base and subgrade, utility bedding, bituminous density and mix design verification.
- Provide a field observer to observe the construction of the work and to report to the City on the progress of the work.





Fees for these services would be as follows:

<u>Item</u>	<u>Cost</u>
Preliminary Engineering	\$ 2,500.00
Topographic Survey	\$ 4,500.00
Design Services	\$ 46,300.00
Quality Control	\$ 22,000.00
Resident Representative	\$ 22,000.00
Construction Engineering	\$ 16,000.00
Construction Layout	\$ 20,000.00
Total	\$ 133,300.00

The cost for Resident Representation is based on an estimated 25 days for a construction observer to be on the site. We will include in the construction bid an item for "Field Observation Crew Days." This item will make the contractor subject to additional resident representative costs incurred due to delays caused by the contractor. The fees for as-built construction drawings are not included since the scope of this project is currently limited to roadway surface improvements.

Fees will be invoiced monthly and based on our contract with the city. The total fee for the design and construction engineering services as described herein is \$133,300 and will not exceed that amount without your prior authorization. In order to commence with the Preliminary Engineering, Topographic Survey and complete the Design Services it is recommended that the City authorize \$53,300.00 to commence with the design engineering as soon as practicable.

If this proposal is deemed acceptable to the City, please sign and return one copy to this office and retain one for your files. Thank you for the opportunity to serve the City on this project.

If you have any questions or require any additional information, please feel free to contact our office at (586) 569-5000.

Very truly yours,

HUBBELL, ROTH & CLARK, INC.

A handwritten signature in black ink that reads "Jesse B. VanDeCreek".

Jesse B. VanDeCreek, P.E.  
Associate

TJK/  
pc: City of South Lyon, Bob Martin  
HRC; K. McCormack, T. Kniga, File

Accepted By:  
CITY OF SOUTH LYON

Signature: \_\_\_\_\_

Written Name: \_\_\_\_\_

Title: \_\_\_\_\_

Dated: \_\_\_\_\_

**LAKE STREET MILL & OVERLAY - PONTIAC TRAIL TO DIXBORO**  
**ENGINEER'S ESTIMATE**  
**HRC NO. 20120685**

This estimate includes a 2" overlay on the existing bituminous pavement on Lake Street from Pontiac Trail to to the City limits at Dixboro Road. The existing asphalt pavement will be milled and overlayed from curb to curb between Pontiac Trail and Hagadorn and from edge to edge between Hagadorn and Dixboro. In addition a quantity for removal and replacement of existing base section has been included.

<u>Item:</u>	<u>Quantity</u>	<u>Unit</u>		<u>Unit Price</u>		<u>Total Cost</u>
1. Mill Existing Bituminous Pavement	14100	syd	@	\$ 1.50	=	\$ 21,150.00
2. Undercut with 1" x 3" Crushed Stone (as needed)	1120	ton	@	\$ 20.00	=	\$ 22,400.00
3. Geogrid, used w/ Undercut where & if needed	3525	syd	@	\$ 5.00	=	\$ 17,625.00
4. 2" Bituminous Mix, 4C, Wearing	1550	ton	@	\$ 60.00	=	\$ 93,000.00
5. 2" Bituminous Mix 3C, Leveling	390	ton	@	\$ 65.00	=	\$ 25,350.00
6. 5" Bituminous Mix 2C, Base	970	ton	@	\$ 70.00	=	\$ 67,900.00
7. Aggregate Base, 8 inch	3525	syd	@	\$ 8.00	=	\$ 28,200.00
8. Pavt. Mrkg, Thermopl, 4 inch, Yellow	6100	ft	@	\$ 0.50	=	\$ 3,050.00
9. Pavt. Mrkg, Thermopl, 4 inch, White	4200	ft	@	\$ 0.50	=	\$ 2,100.00
10. Soil Erosion Control	1	L.S.	@	\$ 1,500.00	=	\$ 1,500.00
11. Mobilization	1	L.S.	@	\$ 5,000.00	=	\$ 5,000.00
12. Maintaining Traffic	1	L.S.	@	\$ 15,000.00	=	\$ 15,000.00
13. Audio/Video Route Survey	1	L.S.	@	\$ 4,000.00	=	\$ 4,000.00

Subtotal Construction Cost = \$ **306,275.00**

Estimated Contingencies = \$ **30,630.00**

Estimated Design Engineering Fee = \$ **30,600.00**

Estimated Construction Engineering Fee = \$ **46,000.00**

Subtotal Estimated Project Cost: = \$ **413,505.00**

**LAKE STREET MILL & OVERLAY - PONTIAC TRAIL TO CSX RR**  
**ENGINEER'S ESTIMATE**  
**HRC NO. 20120685**

This estimate includes a 2" overlay on the existing bituminous pavement on Lake Street from Pontiac Trail to the CSX Railroad right-of-way. The existing asphalt pavement will be milled and overlaid from curb to curb. A quantity for removal and replacement of existing base section in the existing lot has been included.

<u>Item:</u>	<u>Quantity</u>	<u>Unit</u>		<u>Unit Price</u>		<u>Total Cost</u>
1. Mill Existing Bituminous Pavement	6600	syd	@	\$ 1.50	= \$	9,900.00
2. Undercut with 1" x 3" Crushed Stone (as needed)	1045	ton	@	\$ 20.00	= \$	20,900.00
3. Geogrid, used w/ Undercut where & if needed	1650	syd	@	\$ 5.00	= \$	8,250.00
4. 2" Bituminous Mix, 4C, Wearing	730	ton	@	\$ 75.00	= \$	54,750.00
5. 2" Bituminous Mix 3C, Leveling	190	ton	@	\$ 65.00	= \$	12,350.00
6. 5" Bituminous Mix 2C, Base	450	ton	@	\$ 65.00	= \$	29,250.00
7. Aggregate Base, 8 inch	1650	syd	@	\$ 6.00	= \$	9,900.00
8. Pavt. Mrkg Sprayable Thermopl, 4 inch, Yellow	2600	ft	@	\$ 1.50	= \$	3,900.00
9. Pavt. Mrkg Sprayable Thermopl, 4 inch, White	500	ft	@	\$ 2.65	= \$	1,325.00
10. Soil Erosion Control	1	L.S.	@	\$ 500.00	= \$	500.00
11. Mobilization	1	L.S.	@	\$ 3,000.00	= \$	3,000.00
12. Maintaining Traffic	1	L.S.	@	\$ 10,000.00	= \$	10,000.00
13. Audio/Video Route Survey	1	L.S.	@	\$ 1,500.00	= \$	1,500.00

Subtotal Construction Cost = \$ **165,525.00**

Estimated Contingencies = \$ **16,550.00**

Estimated Design Engineering Fee = \$ **16,600.00**

Estimated Construction Engineering Fee = \$ **24,800.00**

Subtotal Estimated Project Cost: = \$ **223,475.00**

**LAKE/LAFAYETTE INTERSECTION MILL & OVERLAY  
ENGINEER'S ESTIMATE  
HRC NO. 20120685**

This estimate includes a 2" overlay on the existing bituminous pavement at the Lake Street (10 Mile Rd.) and Lafayette (Pontiac Trail) intersection. The existing asphalt pavement will be milled and overlaid from curb to curb between the existing brick paver crosswalks. A quantity for the removal and replacement of deteriorated brick pavers has been included in the estimate. Also a quantity for removal and replacement of existing base section has been included. In order to complete this work a detour route will be required. This cost is reflected in the Maintaining Traffic line item.

<u>Item:</u>	<u>Quantity</u>	<u>Unit</u>		<u>Unit Price</u>		<u>Total Cost</u>
1. Mill Existing Bituminous Pavement	370	syd	@	\$ 1.50	=	\$ 555.00
2. R & R Existing Brick Pavers	400	sft	@	\$ 25.00	=	\$ 10,000.00
Concrete Curb Repair (Paver Edge)	10	syd		\$ 150.00	=	\$ 1,500.00
3. Undercut with 1" x 3" Crushed Stone (as needed)	50	ton	@	\$ 20.00	=	\$ 1,000.00
4. Geogrid, used w/ Undercut where & if needed	95	syd	@	\$ 10.00	=	\$ 950.00
5. 2" Bituminous Mix, 4C, Wearing	45	ton	@	\$ 150.00	=	\$ 6,750.00
6. 2" Bituminous Mix 3C, Leveling	10	ton	@	\$ 250.00	=	\$ 2,500.00
7. 5" Bituminous Mix 2C, Base	30	ton	@	\$ 200.00	=	\$ 6,000.00
6. Aggregate Base, 8 inch	95	syd	@	\$ 12.00	=	\$ 1,140.00
7. Pavt. Mrkg, Thermopl, 6 inch, Crosswalk	100	ft	@	\$ 5.00	=	\$ 500.00
8. Soil Erosion Control	1	L.S.	@	\$ 500.00	=	\$ 500.00
9. Mobilization	1	L.S.	@	\$ 5,000.00	=	\$ 5,000.00
10. Maintaining Traffic	1	L.S.	@	\$ 25,000.00	=	\$ 25,000.00

Subtotal Construction Cost = \$ **61,395.00**

Estimated Contingencies = \$ **6,140.00** \$ 67,535.00

Estimated Design Engineering Fee = \$ **6,100.00**

Estimated Construction Engineering Fee = \$ **9,200.00** \$ 15,300.00

Subtotal Estimated Project Cost: = \$ **82,835.00**

## **E. Lake Street Road Project Cost Breakdown**

**Total estimated cost of project**                      \$719,820

**Tri Party Money**                                      \$110,456

2012 = 25,461

2012\* = 33,408 (City's portion of unused money)

2013 = 26,587

2014\*\*= 25,000 (estimate)

Total = \$110,456      City = 1/3 = \$36,819      County = 2/3 = \$73,637

**Federal Aid Money**                                  \$500,193

Federal Aid = 426,556

City's Match = \$106,639

Total = \$533,195

Total Grant funds = \$500,193 (federal aid = \$426,556 and Tri-Party = \$73,637)

**Cost to City** = \$219,625      Federal aid match      = 106,639

Tri-Party match                      = 36,819

Remainder                              = 76,167

Original project cost to City = \$152,029.34

Expanded project cost to City = \$219,625

Upcharge to City for the work to be done between Dixboro east to the east side of Pontiac Trail = \$65,595.34

# AGENDA NOTE

New Business: Item #6

**MEETING DATE:** April 22, 2013

**PERSON PLACING ITEM ON AGENDA:** Manager

**AGENDA TOPIC:** 2012-2013 Budget Amendments.

**EXPLANATION OF TOPIC:** The following budget amendments need to be approved.

<b>Expenses</b>				
General Fund				Administration
	101-200.000-818.000	12,000	20,400	Elections
	101-200.000-962.000	5,000	7,700	Misc.
Water & Sewer	592-000.000-698.400	0	3,793,909	Sale of Bonds
	592-452.000-801.000	0	180,000	Professional Svcs.
	592-452.000-802.000	0	3,613,909	Contractual Svcs.

**MATERIALS ATTACHED AS SUPPORTING DOCUMENTS:** Replacement budget sheets and brief explanation.

**POSSIBLE COURSES OF ACTION:** Approve/do not approve the budget amendments as presented.

**RECOMMENDATION:** Approve the budget amendments as presented.

**SUGGESTED MOTION:** Moved by, \_\_\_\_\_ seconded by, \_\_\_\_\_ to approve the 2012-2013 budget amendments as presented.



<b>592 WATER AND SEWER OPERATIONS EXPENDITURES</b>							
<b>Expenditure</b>	<b>Description</b>	<b>Audit 2010-2011</b>	<b>Adopted 2011-2012</b>	<b>Amended 2011-2012</b>	<b>Proposed 2012-013</b>	<b>Amended 2012-2013</b>	<b>Proposed 2013-2014</b>
<b>452</b>	<b>Water/Sewer Construction</b>						
801	Professional Service					180,000	
801-1	Professional Service -						
802	Contractual Service					3,613,909	
	Contractual Service -Theater Alley						
	Contractual Service -						
	<b>SUBTOTAL</b>		-	-	-	<b>3,793,909</b>	-
<b>556</b>	<b>Water Distribution System</b>						
702	Wages/Salaries	193,536	243,000	243,000	245,500	245,500	245,500
715-720	Fringe Benefits	118,515	126,050	126,050	136,750	136,750	136,750
721	Uniforms	3,842	2,350	2,350	2,350	2,350	2,350
727	Office Supplies	906	1,500	1,500	1,500	1,500	1,500
740	Operating Expense	46,369	45,000	45,000	46,000	46,000	46,000
801	Professional Service	5,606	10,000	10,000	10,000	10,000	10,000
801-111	Vulnerability Assessment		1,500	1,500	1,200	1,200	1,200
801-211	Wellhead Protection	1,932	5,000	5,000	4,500	4,500	4,500
802	Contractual Services	120	14,270	14,270	14,800	14,800	14,800
803-100	Municipal Service Charge						
807	Auditor		4,900	4,900	4,200	4,200	4,200
820	Computer	1,466	2,700	2,700	2,500	2,500	2,500
830	Memberships & Dues		700	700	700	700	700
853	Telephone	2,914	5,500	5,500	4,000	4,000	4,000
860	Gas & Oil	6,885	10,000	10,000	7,500	7,500	7,500
861	Transportation/Mileage		250	250	250	250	250
863	Vehicle Maintenance	7,484	16,500	16,500	12,000	12,000	12,000
900	Printing		1,150	1,150	1,100	1,100	1,100
910	Insurance & Bonds	11,678	12,500	12,500	9,200	9,200	9,200
920	Utilities	108,766	114,000	114,000	103,000	103,000	103,000
931	Building Maintenance	12,144	48,000	48,000	48,000	48,000	48,000
956	Miscellaneous Expense						
957	Education & Training	1,376	3,000	3,000	3,000	3,000	3,000
962	Miscellaneous Expense	3,508	7,500	7,500	9,800	9,800	9,800
969-306	Transfer to Debt Fund		134,000	134,000	132,700	132,700	132,700
970	Capital Outlay		35,000	35,000	45,920	45,920	45,920
977	Equipment Miscellaneous		6,000	6,000	10,000	10,000	10,000
	<b>SUBTOTAL</b>	<b>527,047</b>	<b>850,370</b>	<b>850,370</b>	<b>856,470</b>	<b>856,470</b>	<b>856,470</b>
<b>540</b>	<b>Water Repair</b>						
702	Wages/Salaries	52,718	54,500	54,500	56,500	56,500	56,500
715-720	Fringe Benefits	12,592	31,600	31,600	32,000	32,000	32,000
740	Operating Expense	683	2,000	2,000	2,000	2,000	2,000
801	Professional Service		1,000	1,000	1,500	1,500	1,500
802	Contractual Services		200	200	500	500	500
861	Transportation/Mileage		350	350	100	100	100
930	Repairs & Maintenance	9,591	10,000	10,000	8,000	8,000	8,000
940	Equipment Charges		27,775	27,775	34,000	34,000	34,000
956	Miscellaneous Expense	1,366	1,000	1,000	9,000	9,000	1,000
957	Education & Training		3,000	3,000	3,000	3,000	3,000
	<b>SUBTOTAL</b>	<b>76,950</b>	<b>131,425</b>	<b>131,425</b>	<b>146,600</b>	<b>146,600</b>	<b>138,600</b>

**592 WATER AND SEWER OPERATIONS  
EXPENDITURES**

<b>557 Wastewater System</b>							
702 Wages/Salaries	399,677	348,100	348,100	339,000	339,000	339,000	
715-720 Fringe Benefits	193,547	183,009	183,009	194,260	194,260	194,260	
721 Uniforms		2,350	2,350	2,325	2,325	2,325	
727 Office Supplies	887	1,500	1,500	1,200	1,200	1,200	
740 Operating Expense	163,187	139,300	139,300	139,000	139,000	139,000	
801 Professional Service	8,370	11,000	11,000	10,000	10,000	10,000	
802 Contractual Services	180	21,670	21,670	22,650	22,650	22,650	
803 Municipal Service Charge							
807 Auditor		4,900	4,900	4,000	4,000	4,000	
820 Computer	1,431	1,500	1,500	1,500	1,500	1,500	
830 Memberships & Dues		500	500	500	500	500	
853 Telephone	3,008	3,400	3,400	2,800	2,800	2,800	
860 Gas & Oil	7,580	5,800	5,800	6,500	6,500	6,500	
861 Transportation & Mileage		250	250	250	250	250	
900 Printing		1,150	1,150	800	800	800	
910 Insurance & Bonds	11,302	10,500	10,500	10,500	10,500	10,500	
920 Utilities	246,048	270,000	270,000	265,000	265,000	265,000	
931 Building Maintenance	84,303	92,000	92,000	92,000	92,000	92,000	
956 Miscellaneous Expense	585						
957 Education & Training	1,890	3,000	3,000	3,000	3,000	3,000	
962 Miscellaneous Expense		12,400	12,400	21,700	21,700	21,700	
969 Transfer to Debt Fund							
970 Capital Outlay	493	38,000	38,000	51,420	51,420	43,420	
977 Equipment Miscellaneous	1,594	11,500	11,500	12,000	12,000	12,000	
988 Pre-Paid Financial Cost							
998 Replacement Wastewater							
<b>SUBTOTAL</b>	<b>1,124,082</b>	<b>1,161,829</b>	<b>1,161,829</b>	<b>1,180,405</b>	<b>1,180,405</b>	<b>1,172,405</b>	
<b>550 Sanitary Sewer Repair</b>							
702 Wages/Salaries	39,571	34,700	34,700	55,394	55,394	55,394	
715-720 Fringe Benefits	27,645	20,000	20,000	20,200	20,200	20,200	
740 Operating Expense	446	2,000	2,000	2,000	2,000	2,000	
801 Professional Services	287	1,000	1,000	1,000	1,000	1,000	
802 Contractual Services		200	200	200	200	200	
930 Repairs & Maintenance	8,076	6,000	6,000	6,000	6,000	6,000	
940 Equipment Charges		21,970	21,970	29,000	29,000	29,000	
956 Miscellaneous		2,000	2,000	8,500	8,500	2,500	
<b>SUBTOTAL</b>	<b>76,025</b>	<b>87,870</b>	<b>87,870</b>	<b>122,294</b>	<b>122,294</b>	<b>116,294</b>	
<b>555 Solid Waste Collection</b>							
818 Refuse Collection	460,392	465,000	465,000	480,000	480,000	494,000	
<b>SUBTOTAL</b>	<b>460,392</b>	<b>465,000</b>	<b>465,000</b>	<b>480,000</b>	<b>480,000</b>	<b>494,000</b>	
<b>TOTAL</b>	<b>2,264,496</b>	<b>2,696,494</b>	<b>2,696,494</b>	<b>2,785,769</b>	<b>6,579,678</b>	<b>2,777,769</b>	



<b>592 WATER AND SEWER OPERATIONS</b>							
<b>REVENUES</b>							
		<b>Audit</b>	<b>Adopted</b>	<b>Amended</b>	<b>Proposed</b>	<b>Amended</b>	<b>Proposed</b>
<b>Revenue</b>	<b>Description</b>	<b>2010-2011</b>	<b>2011-2012</b>	<b>2011-2012</b>	<b>2012-013</b>	<b>2012-2013</b>	<b>2013-2014</b>
370	Tap-In Fees		25,000	25,000	25,000	25,000	25,000
401	Property Tax						
529	Federal Grant Research						
570	State Shared Revenues						
607	Refuse Collection	462,361	477,000	477,000	486,500	486,500	491,000
635-1	Fixed Charges	84,720	84,200	84,200	84,200	84,200	84,200
640	Analytical System						
642-1	Sale of Wastewater*	1,238,130	1,130,687	1,130,687	1,163,687	1,163,687	1,198,558
642-2	Sale of Water*	813,312	831,519	831,519	856,419	856,419	882,112
642-3	Tube Mill Treatment Water	75,256	62,600	62,600	80,100	80,100	84,100
655	Fines & Forfeitures	37,969	44,000	44,000	44,000	44,000	44,000
664	Interest Income	20,863	75,000	75,000	25,000	25,000	25,000
668-1	Hydrant Rental	2,500	2,500	2,500	2,500	2,500	2,500
672	Inspection - Tap-in	150	4,000	4,000	4,000	4,000	4,000
676-641	Contribution - Equip. Replacement.		17,430	17,430	17,430	17,430	17,430
676-101	Contribution - General Fund						
694	Other Revenues	21,595	20,000	20,000	25,000	25,000	25,000
698-400	Sale of Bonds					3,613,909	
966	Trans-Restricted Assets						
	Trans-Restricted Assets-Debt						
	<b>TOTAL</b>	<b>2,756,856</b>	<b>2,773,936</b>	<b>2,773,936</b>	<b>2,813,836</b>	<b>6,427,745</b>	<b>2,882,900</b>
	<b>BEGINNING FUND BALANCE</b>	<b>8,131,030</b>	<b>7,051,211</b>	<b>7,051,211</b>	<b>7,128,653</b>	<b>7,128,653</b>	<b>6,976,720</b>
	<b>TOTAL REVENUES AVAILABLE</b>	<b>10,887,886</b>	<b>9,825,147</b>	<b>9,825,147</b>	<b>9,942,489</b>	<b>13,556,398</b>	<b>9,859,620</b>
	<b>TOTAL EXPENDITURES</b>	<b>3,625,620</b>	<b>2,696,494</b>	<b>2,696,494</b>	<b>2,785,769</b>	<b>6,579,678</b>	<b>2,777,769</b>
	<b>ENDING FUND BALANCE</b>	<b>7,262,266</b>	<b>7,128,653</b>	<b>7,128,653</b>	<b>7,156,720</b>	<b>6,976,720</b>	<b>7,081,851</b>

<b>101-200 GENERAL FUND OPERATION</b>							
<b>ADMINISTRATION</b>							
		<b>Audit</b>	<b>Adopted</b>	<b>Amended</b>	<b>Proposed</b>	<b>Amended</b>	<b>Proposed</b>
<b>Expenditure</b>	<b>Description</b>	<b>2010-2011</b>	<b>2011-2012</b>	<b>2011-2012</b>	<b>2012-013</b>	<b>2012-2013</b>	<b>2013-2014</b>
702	Wages/Salaries	267,245	281,000	281,000	281,000	281,000	281,000
715-720	Fringe Benefits	133,329	112,000	112,000	112,000	112,000	112,000
727	Offices Supplies	8,547	6,000	6,000	6,000	6,000	6,000
740	Operating Expense	15,895	32,000	32,000	32,000	32,000	32,000
801	Professional Services	21,635	24,600	24,600	78,800	78,800	78,800
802	Contractual Services	121,470	87,340	87,340	88,000	88,000	88,000
807	Auditor	34,450	40,000	40,000	40,000	40,000	40,000
817	Planning Consultant	7,150	25,000	25,000	60,000	60,000	40,000
818	Elections	11,461	7,000	7,000	12,000	20,400	7,000
820	Computers	3,001	10,000	10,000	10,000	10,000	10,000
826	Legal Fees	66,129	37,000	37,000	50,000	50,000	50,000
830	Memberships & Dues	11,590	10,700	10,700	11,500	11,500	11,500
853	Telephone	7,562	7,000	8,500	8,500	8,500	8,500
861	Transportation & Mileage	5,389	4,700	4,700	4,700	4,700	4,700
880	Community Promotions	101,897	105,000	105,000	105,000	115,000	105,000
900	Printing	7,574	5,000	5,000	5,000	5,000	5,000
900-100	Publishing	5,119	5,000	5,000	5,000	5,000	5,000
910	Insurance & Bonds	43,594	48,000	48,000	49,900	49,900	51,900
920	Utilities	18,521	20,000	20,000	20,000	20,000	20,000
931	Building Maintenance	10,039	10,000	10,000	16,000	16,000	16,000
957	Education/Training	1,127	3,000	3,000	3,000	3,000	3,000
962	Miscellaneous Expense		5,000	5,000	5,000	7,700	5,000
969-200	Contribution-Solid Waste	16,871	15,000	15,000	15,000	15,000	15,000
971-100	Beautification	8,024	5,000	5,000	5,000	5,000	5,000
974-100	Rental Properties		2,000	5,000	2,000	2,000	2,000
977	Equipment Miscellaneous	191	1,000	1,000	1,000	1,000	1,000
	<b>TOTAL</b>	<b>927,810</b>	<b>908,340</b>	<b>912,840</b>	<b>1,026,400</b>	<b>1,047,500</b>	<b>1,003,400</b>

**GENERAL FUND OPERATION  
SUMMARY OF EXPENDITURES**

<b>Expenditure Description</b>	<b>Audit 2010-2011</b>	<b>Adopted 2011-2012</b>	<b>Amended 2011-2012</b>	<b>Proposed 2012-2013</b>	<b>Amended 2012-2013</b>	<b>Proposed 2013-2014</b>
200 Administration	927,810	908,340	912,840	1,026,400	1,047,500	1,003,400
276 Cemetery	72,462	90,115	90,115	109,500	109,500	91,800
295 Public Transportation	57,881	60,775	60,775	63,816	63,816	67,008
300 Police	2,169,906	2,301,602	2,301,602	2,382,226	2,382,226	2,382,732
335 Fire	566,042	465,250	465,250	465,317	465,317	536,019
346 Ambulance	1,855	2,575	2,575	2,575	2,575	2,575
440 Public Works	740,287	685,205	685,205	640,350	640,350	646,150
690 Parks & Recreation	97,554	112,575	116,450	133,725	133,725	119,425
732 Historical	40,798	29,550	42,789	27,200	27,200	26,500
Transfers to other funds						
Contingencies						
<b>Totals</b>	<b>4,674,595</b>	<b>4,655,987</b>	<b>4,677,601</b>	<b>4,851,109</b>	<b>4,872,209</b>	<b>4,875,609</b>

**101 GENERAL FUND REVENUES**

Revenue	Description	Audit 2010-2011	Adopted 2011-2012	Amended 2011-2012	Proposed 2012-2013	Amended 2012-2013	Proposed 2013-2014
<b>TAXES</b>							
402	Current Property Tax (10.7375)	3,459,155	3,746,719	3,434,952	3,299,824	3,299,824	3,299,824
423	Mobile Home Park		920	920	920	920	920
444	Service fee in lieu of taxes				3,000	3,000	3,000
446	Penalties and interest		27,400	27,400	27,400	27,400	27,400
	<b>Total</b>	<b>3,459,155</b>	<b>3,775,039</b>	<b>3,463,272</b>	<b>3,331,144</b>	<b>3,331,144</b>	<b>3,331,144</b>
451	<b>LICENSES &amp; PERMITS</b>		56,000	56,000	52,000	52,000	52,000
	<b>Total</b>	-	<b>56,000</b>	<b>56,000</b>	<b>52,000</b>	<b>52,000</b>	<b>52,000</b>
<b>INTERGOVERNMENTAL REVENUES</b>							
570	State Shared Revenues	892,425	695,907	695,907	857,540	857,540	857,540
570-1	State Shared Revenues-Mid Decade						
571	Federal Grant-DNR						
	<b>Total</b>	<b>892,425</b>	<b>695,907</b>	<b>695,907</b>	<b>857,540</b>	<b>857,540</b>	<b>857,540</b>
<b>CHARGES FOR SERVICES</b>							
630	Property Tax Admin Fees	275,377	94,000	94,000	94,000	94,000	94,000
634	Grave Openings & Foundations		40,000	40,000	30,000	30,000	30,000
635	W & S Administration						
668.4	Property Rentals		9,000	9,000	9,000	9,000	9,000
668-3	Lease-Antenna		41,219	41,219	46,000	46,000	46,000
668-2	Property Rental-Cable		97,300	97,300	88,000	88,000	88,000
	<b>Total</b>	<b>275,377</b>	<b>281,519</b>	<b>281,519</b>	<b>267,000</b>	<b>267,000</b>	<b>267,000</b>
<b>FINES &amp; FORFEITURES</b>							
661	Parking Violations		5,500	5,500	6,000	6,000	6,000
662	Local Court Fines	21,513	25,000	25,000	19,000	19,000	19,000
	<b>Total</b>	<b>21,513</b>	<b>30,500</b>	<b>30,500</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>
<b>MISCELLANEOUS REVENUES</b>							
664	Interest Income		35,000	35,000	11,500	11,500	11,500
669-209	Contribution-Perpetual Care		9,000	9,000	109,500	109,500	91,800
699	Transfer from other Funds		10,000	10,000			
692	Grant Money			7,500			
698	Miscellaneous	219,497	120,450	120,450	201,000	201,000	201,000
698.2	Proceeds from Long-term						
698.6	Grant Monies - Fire Dept.		48,949	48,949			
	Grant Monies - Police Dept.		9,000	9,000			
	<b>Total</b>	<b>219,497</b>	<b>232,399</b>	<b>239,899</b>	<b>322,000</b>	<b>322,000</b>	<b>304,300</b>
<b>TOTAL REVENUES</b>		<b>4,867,967</b>	<b>5,071,364</b>	<b>4,767,097</b>	<b>4,854,684</b>	<b>4,854,684</b>	<b>4,836,984</b>
<b>BEGINNING FUND BALANCE</b>		<b>3,095,797</b>	<b>3,235,339</b>	<b>3,235,339</b>	<b>3,324,835</b>	<b>3,324,835</b>	<b>3,307,310</b>
<b>TOTAL REVENUES AVAILABL</b>		<b>7,963,764</b>	<b>8,306,703</b>	<b>8,002,436</b>	<b>8,179,519</b>	<b>8,179,519</b>	<b>8,144,293</b>
<b>TOTAL EXPENDITURES</b>		<b>4,674,595</b>	<b>4,655,987</b>	<b>4,677,601</b>	<b>4,851,109</b>	<b>4,872,209</b>	<b>4,875,609</b>
<b>ENDING FUND BALANCE</b>		<b>3,289,169</b>	<b>4,854,684</b>	<b>3,324,835</b>	<b>3,328,410</b>	<b>3,307,310</b>	<b>3,268,684</b>

101-200.000-818.000	Extra election due to McCotter
101-200.000-962.000	Refund to South Lyon Junior League for unused contribution for ball fields
592-000.000-698.400	DWRF bond monies
592-452.000-801.000	HRC engineering fees for DWRF
592-452.000-802.000	Construction fees paid to Bricco Engineering



# AGENDA NOTE

New Business: Item #7

**MEETING DATE:** April 22, 2013

**PERSON PLACING ITEM ON AGENDA:** Robert J. Martin, Water/Sewer Department Superintendent

**AGENDA TOPIC:** Water Rate Adjustment

**EXPLANATION OF TOPIC:** As you may recall in June 2012 the City Council approved the go ahead of DWRF water main project in the City. At that time we proposed water rate increases to pay for the DWRF loan. If approved, beginning in June 2013 the rates will increase from \$1.95 per 1000 gallons to \$2.07 per 1000 gallons. This is an adjustment of 6%. This adjustment equates to a \$2.40 quarterly increase to a “typical” family of 4. You may recall that the adjustment of rates will be 6% per year starting in 2013 and ending 2016.

**MATERIALS ATTACHED AS SUPPORTING DOCUMENTS:** Debt Service Coverage spreadsheet.

**POSSIBLE COURSES OF ACTION:** Approve/do not approve the water rate adjustment as presented.

**RECOMMENDATION:** Approve the water rate adjustment of 6% beginning with the June 2013 billing (bills go out in September 30th).

**SUGGESTED MOTION:** Motion by \_\_\_\_\_, supported by \_\_\_\_\_ to approve the water rate adjustment beginning with the June 2013 billing as presented.

**City of South Lyon**  
**Projected Water Supply System Operating Cash Flow and Debt Service Coverage**  
Fiscal Years Ending June 30, 2012 Through 2017

	Budgeted 2012	Budgeted (1) 2013	Projected (2) 2014	Projected (2) 2015	Projected (2) 2016	Projected (2) 2017
<b>Operating Revenues</b>						
Water sales	\$ 831,519	\$ 883,073	\$ 937,824	\$ 995,969	\$ 1,057,719	\$ 1,057,719
Tube Mill	62,600	80,100	80,100	80,100	80,100	80,100
Fixed Charges	33,680	33,680	33,680	33,680	33,680	33,680
Penalties	17,600	17,600	17,600	17,600	17,600	17,600
Replacement (3)	17,430	17,430	-	-	-	-
Hydrant Rental	2,500	2,500	2,500	2,500	2,500	2,500
Inspection	4,000	4,000	4,000	4,000	4,000	4,000
<b>Total Operating Revenues</b>	<u>\$ 969,329</u>	<u>\$ 1,038,383</u>	<u>\$ 1,075,704</u>	<u>\$ 1,133,849</u>	<u>\$ 1,195,599</u>	<u>\$ 1,195,599</u>
<b>Operating Expenses (4)</b>						
Distribution	\$ 681,370	\$ 677,850	\$ -	\$ -	\$ -	\$ -
Repair	135,425	146,600	-	-	-	-
<b>Total Operating Expenses</b>	<u>\$ 816,795</u>	<u>\$ 824,450</u>	<u>\$ 849,184</u>	<u>\$ 874,659</u>	<u>\$ 900,899</u>	<u>\$ 927,926</u>
<b>Operating Income (Loss)</b>	<u>\$ 152,534</u>	<u>\$ 213,933</u>	<u>\$ 226,520</u>	<u>\$ 259,190</u>	<u>\$ 294,700</u>	<u>\$ 267,673</u>
<b>Non-Operating Revenues (Expenses) (5)</b>						
Interest income	\$ 9,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Other	8,000	10,000	10,000	10,000	10,000	10,000
Tap Fees	25,000	25,000	25,000	25,000	25,000	25,000
<b>Total Non-Operating Revenues (Expenses)</b>	<u>\$ 42,000</u>	<u>\$ 45,000</u>	<u>\$ 45,000</u>	<u>\$ 45,000</u>	<u>\$ 45,000</u>	<u>\$ 45,000</u>
<b>NET INCOME AVAILABLE FOR DEBT SERVICE</b>	<u>\$ 194,534</u>	<u>\$ 258,933</u>	<u>\$ 271,520</u>	<u>\$ 304,190</u>	<u>\$ 339,700</u>	<u>\$ 312,673</u>
<b>Debt Service Requirements</b>						
2000 Bonds (UTGO)	\$ 132,260	\$ 131,905	\$ 136,175	\$ 134,948	\$ 133,380	(6) \$ -
Proposed 2012 DWRF Bonds (7)		33,844	64,125	164,125	166,625	164,000
<b>Total</b>	<u>\$ 132,260</u>	<u>\$ 165,749</u>	<u>\$ 200,300</u>	<u>\$ 299,073</u>	<u>\$ 300,005</u>	<u>\$ 164,000</u>
<b>Coverage Ratio</b>	1.47x	1.56x	1.36x	1.02x	1.13x	1.91x
Increase per 1,000 Gallons: (8)		\$0.12	\$0.13	\$0.14	\$0.15	\$0.00
Rate per 1,000 gallons:	\$1.95	\$2.07	\$2.20	\$2.34	\$2.49	\$0.00
<b>Estimated Quarterly Increase for a Family of Four (9)</b>		\$2.40	\$2.60	\$2.80	\$3.00	\$0.00

- (1) Budgeted.
- (2) Operating revenues are assumed to increase 6.2% annually in the fiscal years ending June 30, 2013 through 2016.
- (3) Eliminated beginning with the fiscal year ending June 30, 2014.
- (4) Operating expenses are assumed to increase 3% a year beginning with the fiscal year ending June 30, 2014.
- (5) Non-operating revenues are not assumed to change after the fiscal year ending June 30, 2013.
- (6) Final payment on the 2000 Bonds.
- (7) Debt service assumes 50% principal forgiveness on a loan amount of \$5,130,000.
- (8) Equals increase in water sales divided by billable flow of 426,420,000 gallons.
- (9) Assumes quarterly consumption of 20,000 gallons.
- Source: City of South Lyon