

The City of South Lyon
Regular City Council Meeting
October 27, 2014

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 and Dixon
Also Present: City Manager Ladner, Chief Collins,
Attorney Wilhelm and Clerk/Treasurer Deaton

ABSENT: Department Head Martin
Mayor Wallace stated Department Head Martin is on vacation

MINUTES

CM 10-1-14 MOTION TO APPROVE MINUTES

Motion by Wedell, supported by Kramer
Motion to approve minutes as presented

VOTE: MOTION CARRIED UNANIMOUSLY

BILLS- None

AGENDA

CM 10-2-14 MOTION TO APPROVE AGENDA

Motion by Wedell, supported by Dixon
Motion to approve agenda as presented

VOTE: MOTION CARRIED UNANIMOUSLY

PUBLIC COMMENT

Corinne Koroly of 22085 Brookfield stated she is an 8 year resident of South Lyon and has never been involved in politics. She stated she is concerned about the traffic at Pontiac Trail and 9 Mile. It is a very busy intersection. She further stated the traffic incidents have doubled at that intersection since she has been here. Ms. Koroly stated there are middle school students trying to cross at that intersection

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and it is very dangerous and scary. She stated it will only get worse as the area gets busier, and she is willing to help anyway she can.

OLD BUSINESS- None

NEW BUSINESS

1. Consider request for permit for the Cool Yule Parade and associated road closures planned for Saturday, December 6, 2014 from 5:30 p.m. to 6:30 p.m.

Chief Collins stated there are no changes from previous year's route.

CM 10-3-14 MOTION TO APPROVE ROAD CLOSURES

Motion by Kramer, supported by Kivell

Motion to approve the road closures for the Cool Yule Parade as presented

VOTE:

MOTION CARRIED UNANIMOUSLY

2. Presentation of Annual Audit for 2013-2014

Doug Bohrer of Plante Moran gave a brief presentation regarding the 2013-2014 annual audit. He stated he would like to thank Lori Mosier for all the help with the audit; she was very helpful and prepared.

Keith Szymanski of Plante Moran gave a presentation regarding the graphs representing the audit. He stated there is a four year comparison regarding revenue, he stated the tax revenue is down about 5% from 2011 amounts, but considering the impact of the declines in property values in Michigan since 2008 and 2009, only being down 5% is a good position to be in. He further stated the City has maintained a fund balance over the last 4-5 years by keeping a close eye on the budget and expenditures. Mr. Szymanski stated the City received a modest increase in taxable value for the first time in 5 years. He further stated there was a decrease in State Revenue Sharing.

Manju Patnaik of Plante Moran gave a brief presentation of the single audit that took place. She stated there are no issues and the City is in compliance with the federal money.

Mr. Bohrer of Plante Moran stated the City managed to continue with 2.8 million dollars less in revenue sharing in previous years, and that is a compliment for City Council and City management. Mr. Bohrer stated at the beginning of the audit their company meets with the Mayor to find out what he would like them to pay attention to, then to Council. He stated they have to share if there were any changes in accounting policies, which there were because the City presented GASB65. That change only reflects how the number is presented. He stated there were only a few discrepancies which were a few journal

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entries that needed to be corrected. Mr. Bohrer stated it is important to have a capital improvement plan in place, planning for expected and unexpected improvements that need to be made. Discussion was held regarding the MERS retirement. Mr. Bohrer stated our unfunded liability is currently 2.7 million as of December 31st 2013. He stated going forward the City's investment gains and losses since 2008 and 2009 is being smoothed over a ten year period. He stated the actuarial value is higher than the market value of assets, which means if they used the market value; it would have been a little more than it is. He further stated MERS has 730 communities and only 15% of the members are 100% funded. He stated 60% are two thirds funded. Mr. Bohrer stated he is working with City Manager Ladner to look into other options. Theoretically, the unfunded liability will be paid off in 27 years now if no changes are made.

3. Acceptance of Resignation/Appointment- Denise Semion for the Parks and Recreation Commission

Mayor Wallace stated he would like to appoint Denise Semion to the Parks and Recreation. She has a lot of experience and we are lucky to have her.

CM 10-4-14 MOTION TO APPROVE APPOINTMENT TO PARKS AND RECREATION COMMISSION

Motion by Kivell, supported by Rzyzi

Motion to support Mayor Wallace's appointment of Denise Semion to the Parks and Recreation Commission

VOTE: MOTION CARRIED UNANIMOUSLY

4. Trick or Treat Hours

CM 10-5-14 MOTION TO APPROVE HOURS FOR TRICK OR TREATING

Motion by Rzyzi, supported by Kopkowski

Motion to approve the trick or treating time from 6:00 p.m. to 8:00 p.m.

VOTE: MOTION CARRIED UNANIMOUSLY

5. Consider resolution to opt-out of Act 152 of 2011

City Manager Ladner stated this is the requirement for all employees to pay 20% of their medical coverage. We have been working with the Collective Bargaining groups to comply with this, but we are not in compliance at this time.

CM 10-6-14 MOTION TO OPT OUT OF ACT 152 OF 2011

Motion by Kivell, supported by Wedell

Motion to approve resolution to opt out of Act 152 of 2011

VOTE:

MOTION CARRIED UNANIMOUSLY

6. Consider proposals for Johnson Rosati Schultz & Joppich to amend retainer agreement

City Attorney Wilhelm stated over the past month he has provided Council with information reflecting the hourly rate their firm is being paid. He stated it is roughly \$70.00 an hour which is considerably lower than the hourly rate they charge most communities. He further stated the retainer agreement reflects the possibility of a one year opener and they are asking for an adjustment in the retainer amount which will be closer to market rate. Attorney Wilhelm presented two options for Council to consider. In 2012 there was an understanding to use a flat retainer for all City services. Discussion was held regarding the two options Johnson Rosati Schultz & Joppich is offering and the amount of time Attorney Wilhelm works for the City. Attorney Wilhelm stated there have been some internal and external things that may have added to the number of hours the City was billed in the last year. Councilman Rzyzi stated option #1 is asking for almost double of what they are being paid for now. He further stated he noticed in the minutes from the previous year, one of the reasons they were chosen after doing the RFP was because of the lower cost. He further stated he thinks it would be unwise to change the contract at this time; we can always wait until the contract is up. He stated he would also like to see a counter proposal from our City Manager. Councilman Kramer stated this is a significant increase and we did have many internal and external issues, but he wouldn't like to see us raise the retainer rate, and then have a decrease in his hours. He asked Attorney Wilhelm who is directing him for what he is working on for the City. Attorney Wilhelm stated his priorities are self-driven as well as direction from the City Manager. Councilman Kramer stated we interviewed other attorneys and price was a factor in selecting your firm. He stated asking us to look at these proposals; we have to decide if we look at these, or do another RFP. Councilman Rzyzi stated you are asking for a price increase and to increase your profit. He stated if you are going to ask for an increase, we have to look at how many hours you're spending, is it necessary to attend the Planning Commission when we have a certified planner, and is it necessary to attend the Zoning Board of Appeals meetings. He stated if we look at changing your priorities you wouldn't be billing so many hours. He is willing to do another RFP if necessary. Councilman Wedell stated he recognizes this rate is under market rate, and possibly there is an opportunity to refine the scope of Attorney Wilhelm's work, so that the hourly rate is more balanced towards the firm's expectations. He is not in favor of doing another RFP. He stated his preference is to continue our association with Johnson Rosati, but find some way to even out the equity. Councilmember Kopkowski stated she would like to see an analysis done for what he is working on. She understands asking for a raise and there is always compromise and negotiation with that, but she would like more information, but she doesn't have a problem with negotiating. Councilman Kivell stated he is not against a negotiating but he is not in favor of looking for another firm at this time. Mayor Wallace stated he hopes we can get to this sooner than later and would like to resolve this within a month.

MANAGERS REPORT

City Manager Ladner stated we need to set a special meeting this week regarding a change in benefits for our employees. The open enrollment is November 1 and it will go into effect December 1. The current health plan is no longer available. It was the census of Council to have the meeting on Wednesday October 29th at 6:00 p.m.

COUNCIL COMMENTS

Councilmember Dixson stated she had company from out of town last weekend and they went into the Polish Pottery and the owner said they are having a grand opening this Saturday with a Polish artist doing glass blowing, and food and prizes.

Councilman Kramer stated he has been asked if the Pumpkinfest Committee could give a presentation to Council at the meeting in December to give Council an update on revenues and how the pumpkinfest went. There will be a drug awareness presentation at St Joes this Sunday.

Councilman Kivell stated the South Lyon Band played Pictures at an Exhibition and it is a very nice piece. He stated the marching band did a really good job and it was nice to see our football team prevail.

Councilman Rzyzi stated he would like to give credit to Lyon Township because they did a great job at the Halloween party at the fire station. There were over 500 kids. He stated he also attended the Business Expo at the High School and there was a great representation of our businesses. He stated he spoke with Ms. Koroly regarding the issue at 9 mile and Pontiac Trail. He stated there seems to be many accidents in this area. He stated the long term solution would be paving Griswold and Dixboro, but he understands it is out of our jurisdiction. He further stated he is requesting the City Manager to work with other agencies to try to make the intersection safer.

Councilmember Kopkowski stated she would like to know how many tickets we write for texting and driving. Chief Collins stated we write a low amount, but we do issue if we catch them.

Mayor Wallace stated he attended the South Lyon versus Brighton game, it was an exciting game and it was great to beat Brighton. Mayor Wallace stated he attended the MML conference in Marquette. He further stated he attended the trails meeting. It gave him some ideas for the kids in our town, like possibly a mountain biking track. Also, some things such as jumps or rails for snowboarders.

CM 10-7-14 MOTION TO ADJOURN

Motion by Kramer, supported by Dixon
Motion to adjourn meeting at 8:55 p.m.

VOTE: MOTION CARRIED UNANIMOUSLY

Respectfully submitted,

Tedd Wallace Mayor

Lisa Deaton Clerk/Treasurer