

CITY OF SOUTH LYON
REGULAR COUNCIL MEETING
FEBRUARY 13, 2017

Mayor Pro Tem Wedell led those present in the Pledge of Allegiance
Mayor Pro Tem Wedell stated Mayor Galeas will not be attending because he is ill

PRESENT: Mayor Pro Tem Wedell
Councilmembers: Kivell, Kramer, Kurtzweil, Parisien, and Rzyzi
Also Present: City Manager Ladner, Department Head Martin, Chief Collins, Chief Kennedy,
Attorney Wilhelm and Clerk Deaton

CM 2-1-17 MOTION TO EXCUSE ABSENCE

Motion by Parisien, supported by Kurtzweil
Motion to excuse the absence of Mayor Galeas

VOTE: MOTION CARRIED UNANIMOUSLY

MINUTES 1-23-17

CM 2-2-17 MOTION TO APPROVE MINUTES

Motion by Kivell- no support
MOTION FAILED

Councilmember Rzyzi stated he is struggling because the last meeting wasn't recorded on video, and he always reviews the video along with the minutes to ensure they are 100% accurate. He further stated the audio wasn't available either. Councilmember Rzyzi stated at a previous meeting he asked for Attorney Wilhelm's letter to be added to the minutes, and he was told it was added, but he wasn't able to check because the website is down, and he looked today, and it still isn't there. Mayor Pro Tem Wedell stated we are discussing the minutes from the last meeting, not of meetings in the past. City Manager Ladner stated the video is not the official record of the meeting, and not being able to review a video shouldn't hold the approval of the minutes up because that isn't the official record. Councilmember Rzyzi repeated that he has been told several times the letter was added, but it is not on the website. City Manager Ladner stated Clerk Deaton did add them. Councilmember Rzyzi stated this is a mess. Councilmember Kramer stated we could put this off until the next meeting. Councilmember Rzyzi asked Clerk Deaton if the letter was added to the minutes. Clerk Deaton stated the letter was added to the minutes, and she will scan them in and forward them to the City Manager in the morning to be added to the website. Councilmember Kurtzweil stated she will not approve the minutes as well, because there is no audio or video for her to review the minutes and to ascertain if the minutes are correct. She stated someone may bring up the point that she wasn't at that meeting, therefore she doesn't have the ability to approve the minutes. She stated according to Robert's Rules of Order, a member's absence from a meeting for which minutes are being approved, does not prevent the member from participating in the correction or the approval. She further stated she will not approve anything she cannot ensure is correct. Mayor Pro Tem Wedell stated it is common for people that were absent from a meeting to abstain from the minute's approval. Councilmember Kivell stated for years we had minutes that didn't have video or audio for validation of what had taken place, and if you cannot read the minutes, and you were at the meeting and you don't have the recognition of whether or not that is an accurate account of what had taken place, you probably shouldn't be sitting here. Councilmember Kurtzweil stated that is an inappropriate comment.

BILLS

Councilmember Rzyzi asked why the Attorney bills are not included in the packet. Attorney Wilhelm stated the invoices are normally presented at the second meeting of the month. Councilmember Rzyzi further stated they were not at the last meeting as well, and there were questions about getting some invoices corrected.

CM 2-3-17 MOTION TO APPROVE THE BILLS

Motion by Parisien, supported by Kivell

Motion to approve the bills as presented

VOTE: MOTION CARRIED- 2 OPPOSED

AGENDACM 2-4-17 MOTION TO APPROVE AGENDA

Motion by Kramer, supported by Kivell

Motion to approve the agenda as presented

VOTE: MOTION CARRIED UNANIMOUSLY

PUBLIC COMMENT

Judy Keiling of 62810 Arlington stated at a previous meeting Council discussed fixing the roads. She stated if there is no money to fix the roads, if the City considered cancelling the leaf pick up, and using the money from that to go towards road repairs.

Carl Richards of 390 Lenox stated he is glad to be here, and there is a lot of good stuff happening in the last 3 weeks City wide. He further stated he is bringing up a new subject tonight. He stated he has thought about this for many years. He stated he would like Council to consider a new commission. He stated it would be the Oversight Commission. He stated the structure would be 10-12 members to begin with. The Mayor would be the chairperson, after a year or two the number of members will drop to 8 members. He stated the composition would be intricate people from the community, and a Councilmember. He stated they would meet bi-monthly, no initial cost, and no savings initially. He further stated the savings could be great and substantial. He further stated the commission would report to Council and the City Manager. The purpose would be to overview things going on inside and outside issues that may arise. He further stated the guidelines would be common sense, and fiscal practicality. He stated this is a rough outline, and he is going to submit this to the City Manager.

Marilyn Smith of 120 E Lake stated this stuff has got to stop. The meetings are embarrassing, and there is too much grandstanding going on. There have been students in the audience, and we as adults need to be setting the example, and there are a couple of people here that don't do that. You need to treat each other with respect and courtesy, and handle yourselves professionally. She stated with the debacle that happened with her predecessor, we were the laughing stock. We don't need to review the entire meeting at Council Comments, we don't need to be bashing each other on Facebook. She further stated two meetings ago Councilmember Kurtzweil asked Department Head Martin a question, and as he tried to answer you talked over him. She further stated you are always attacking the City Attorney, and if you are unhappy with him, there are ways to handle that. She further stated they are all personal attacks. She stated it is unnecessary. She stated she told her kids, they have the right to question anything but do so respectfully.

OLD BUSINESS- NoneNEW BUSINESS

1. Presentation to Council regarding installation of solar power generation equipment at Waste Water Plant

Corry Bala of the South Lyon Hotel 201 N Lafayette stated he isn't here to talk about the hotel, but he will answer any questions anyone may have. Councilmember Ryzyi asked if there will be raised seating on the outside. Mr. Bala stated there will not be any steps, but the porch will be a patio or pavers, and it will be above grade. He further stated they were able to almost double the capacity for outside seating. Mr. Bala stated he is working with Superior Renewable Solutions selling solar energy. Mr. Bala introduced Chris Yuko who is the owner of SRS. Mr. Yuko gave a PowerPoint presentation regarding the proposal of solar energy at the Waste Water Treatment Plant. Mr. Yuko stated they are a Michigan based company. He stated his background is on the finance side. He stated Solar is a maintenance free system. The panels are 3x5. We are currently talking about a ground based system at the water plant. He further stated there are common myths such as not having enough sunlight in Michigan and the Midwest. He stated the Midwest has more sunlight than Germany, and they are a solar leader. He stated snow is not a problem because if snow covers the panels for a few weeks, you are losing very little energy production, and panels can withstand 2inch hail and 90 mph wind. He further stated they are warranted up to 25 years. Mr. Yuko stated some people think solar is too expensive, but they have dropped 50% between the years of 2010 and 2015. He stated it is not a new technology, the first panels were released in the 70's, it is proven technology. He further stated Mr. Bala had been speaking with Bob Martin regarding the WWTP. He stated there is plenty of room there, which we could use, and this technology could reduce electric use by 24%. Mr. Yuko stated you cannot net meter for more than 150 kilowatts. What that means, is if your meter overproduced, the energy would be pushed back to the electric company and they would utilize the energy. He stated with 338 kilowatts, it would be a no flow project. He stated the gross project cost would be \$750,000 but structured to take advantage of incentives. He further stated there are numerous areas that could work near the WWTP. Mr. Yuko stated they work with design engineering, and only tier one suppliers. Mr. Yuko stated there is a lot of positive environmental impact. He further stated you can monitor the energy so that members of the community can see what the impact is. Mr. Yuko explained the financing option using a third-party investor leases the panels to the City. He stated by doing this, there is no upfront capital needed, because it is a lease, the City will own the system after 6 years. Mr. Yuko stated the next steps would be for the City to sign a letter of intent showing interest and to cover the engineering fees of \$3,000 for soil samples and such, and that would go towards the cost. Mr. Bala stated the introductory letter and company biography was handed out to Council along with the estimated term sheet. He stated the numbers are estimated, but basically it will be a 20-year contract, lowering electric cost and inflation they could be paid off in 20 years, and this also means going green with no cost.

Councilmember Parisien asked how many other communities are using these and are they successful, because this is the way of the future, bringing this to South Lyon would be fabulous. Mr. Yuko stated most of the communities he has dealt with are in Indiana, and they have been successful. Councilmember Parisien asked Department Head Martin for his thoughts. Department Head Martin stated the WWTP is about science and chemistry, and this fits in with that. He doesn't think we should just say no, we need to look into this. He met with Corry a few times and he did a great job with the presentation. Mr. Bala stated there are two communities in Minnesota that did install these panels at their wastewater treatment plants. He further stated Department Head Martin did tell him he wants to make sure nothing ever

happens to cause the WWTP to stop functioning. Mr. Bala stated this would not take the plant off the grid, it would still have electric energy. Councilmember Rzyzi thanked them for the presentation. He stated he has concerns. He stated hearing there isn't other communities in Michigan using this, as well as there aren't very many waste water plants using this, and he doesn't want the City to be the guinea pig. He further stated there are some figures in here that is hard to digest to see what the payoff would be. He further stated he doesn't mind them looking into this further, but he doesn't see the City paying \$3,000 upfront because they are gaining the business. Councilmember Kivell asked if this would ever generate enough energy to take us off the grid. Mr. Yuko stated no, it would not. Councilmember Kivell stated he is also interested in finding out what the break-even number is and the projected savings number. Councilmember Kurtzweil stated she has several concerns. The City received a letter from the State of Michigan for corrective action because our expenditures were exceeding our revenues. She is not convinced we are in the right financial position to even hear this proposal right now. She further stated she is in favor of green energy and very interested in wind generators, but you have to time it financially to expend that cost, and she doesn't see that happening in 2017 or 2018. We have a bond of \$380,000 a year with 9 more years to pay on it, and last year the water and sewer department was running at a loss, and she doesn't know if that has been taken care of or not. She further stated she isn't inclined to push any more money into that department until they get their feet on the ground and they are operating in the black and not red. She further stated if we look at solar energy, we will need to look at additional companies as well. She further stated you have to look at backups with batteries and she is disillusioned that this company doesn't have that. Mr. Yuko stated they have the capability, it just doesn't make sense. Councilmember Kurtzweil stated then maybe it doesn't make sense for us to have this. She further stated the City is not in the financial position to be considering this at this time.

Councilmember Kramer asked if Mr. Bala could give them some hard numbers to look at in the future. Councilmember Rzyzi stated \$750,000 is a lot of money, and we have a lot of bonds, and tying this to the area, home values are going up, roads need to be fixed, they need to build another school, or someone may discuss a recreation center, and there are all these mileages that may increase, and to put this in front of us right now with all these expenditures, there is a reason people are still using old fashioned electricity. He further stated it may be the way of the future, but until he sees hard numbers and the payoff he will not entertain this.

Councilmember Parisien stated it wouldn't be too bad to take a risk, and if we looked the breakdown of what we would be saving each year, and if we had hard figures, she would be inclined to look into this. We may not be in the financial position we would like to be in, but if we did implement this and we could see up front figures of the savings, it would help.

Councilmember Kivell stated we should be able to get break even numbers without the engineering being done.

Mayor Pro Tem Wedell stated he is also concerned as to how this would work into the budget, and this should be part of the budget deliberations, and he recommends the City Administration reviews this when they have better numbers.

Councilmember Rzyzi stated we are not signing the letter of interest tonight, and wanted to make that clear.

2. Consider acceptance of \$1,000 donation from Prime-Time Marketing

Chief Kennedy stated in September of 2016 South Lyon Busch's was one of 4 locations that Josh Sellers Wine had a Firefighters outreach event, and our Fire Department was there for a day for a promotional event and for doing so, they donated \$1,000 to our Fire Department. Councilmember Kivell asked if this was a public event. Councilmember Rzyzi asked how South Lyon was chosen. Chief Kennedy stated he

was suspicious of the marketing firm, but he spoke with the store and it checked out. Councilmember Ryzyi stated he is surprised we haven't had the donation policy discussion as of yet. City Manager Ladner stated she is waiting for the Parks and Recreation Commission to complete their donation policy that Council asked them to create, to ensure our donation policy doesn't conflict with theirs.

CM 2-5-17 MOTION TO APPROVE DONATION

Motion by Kramer, supported by Kivell

Motion to approve the \$1,000 donation from Prime Time Marketing

VOTE:

MOTION CARRIED UNANIMOUSLY

3. Consider proposed amendment to the Performance Evaluation Provision of the City Manager Employment Agreement

Attorney Wilhelm stated he was given direction at the last meeting to make an amendment to remove the specificity of the February performance evaluation from the City Manager's contract.

Councilmember Kivell asked if there is a reason that it is more generic than with the specified date in October. Attorney Wilhelm stated it provides Council the control when referring to and working with the City Manager for her reviews with consultation with her. City Manager Ladner stated this gives Council the flexibility if Council wants to do quarterly reviews or yearly.

Councilmember Kurtzweil stated she made a comment in the past regarding the City Manager's employment contract, and it is very favorable to the City Manager, and not the City. She asked who drafted the contract. Attorney Wilhelm stated he drafted it. Councilmember Kurtzweil stated the amendment is very favorable to the City Manager because it requires mutual agreement between the City and the City Manager. She further stated she would have phrased it as the City will provide you 120 days' notice when they want to do her review. She stated additionally there should be language added that if for some reason, we can't agree on a date annually, there is some sort of ability for the City to move forward with the evaluation. Councilmember Kurtzweil stated the amendment is not pro City at all, and neither is the contract. Councilmember Kramer asked if we can keep Section 11 as written, and if the City wants to set a date, and the City Manager doesn't agree, it will go back to the original contract language. Councilmember Kurtzweil stated the problem with the original contract language is it states the City Council must review the City Manager's performance annually, with the first one being in February. If you can't have the review in February, then when can you have it. The issue isn't her not being able to be reviewed in February or why isn't the issues. There should be language giving the City other options for the review. She stated this is making it more complicated because of the word mutual.

Councilmember Ryzyi stated he is uncomfortable with the language as well. He further stated when a contract comes up it is time to renegotiate, and he doesn't support the mutual agreement language. City Manager Ladner stated there are no termination or end dates for the contract. She stated that is very common for City Manager contracts. Councilmember Kivell stated this doesn't give the City the ability to impose a date for the evaluation if a mutual date can't be agreed upon. City Manager Ladner asked if Council is seeking to renegotiate her contract. Councilmember Kivell stated no, we are seeking to evaluate you. Councilmember Ryzyi stated he isn't comfortable, and at some point in time, this contract may need to be renegotiated, but he doesn't feel comfortable with Attorney Wilhelm doing it. Attorney Wilhelm stated based on the comments tonight, do you want to delete the annual requirement for a review. Councilmember Kurtzweil stated it is fair for Lynne to hear how Council is feeling about her performance. She isn't saying get away from that, she is saying Council can decide when the evaluation should be done, as long as she has been given 120 days' notice, until the City can get on track for yearly evaluations.

2/13/17

CM 2-6-17 MOTION TO POSTPONE EVALUATION AMENDMENT

Motion by Kramer, supported by Kivell

Motion to postpone the amendment to the City Manager's contract and direct Attorney to rewrite evaluation schedule

VOTE: MOTION CARRIED UNANIMOUSLY

Mayor Pro Tem stated Chief Collins included some information for the winter run and Depot Day and asked if he had anything that he needed to say about that. Chief Collins stated none of the events are asking for road closures.

DISCUSSION- Downtown

Bob Donohue stated he has submitted a draft commercial tax abatement on façade grant programs. He stated he updated the memo and the table of contents. He stated he thinks we should probably set a study session to go over everything. City Manager Ladner stated she would be hesitant to schedule anything until the Mayor has returned.

Councilmember Kurtzweil stated she will be looking at the financial impact to the budget. She further stated she thought the minimum was 12 years. Mr. Donohue stated you can make the range, the maximum is 10-12 years. Councilmember Kurtzweil stated she has been pushing for this, but she does want to know how this will impact the DDA. Mr. Donohue stated it will stop any increment of increase for the DDA budget, but that is why there is an option to limit it to 1-3 years.

Mr. Donohue stated he spoke with the building department and the Sushi Restaurant was denied because of code issues, and their architect is currently preparing a response. The Mediterranean restaurant is on hold due to health department issues. He further stated the new hair salon is open. Councilmember Rzyzi stated he wanted to thank Mr. Donohue for being here and he is happy we are keeping this on the Agenda as a standing item, and we will keep talking about it. Mr. Donohue stated we need to have the study session sooner than later because of the façade grants.

MANAGER'S REPORT

City Manager Ladner stated City Hall is closed on Monday February the 20th for Presidents Day. She stated the website is up and running and if anyone notices anything is missing please let her know. She further stated the online bill pay is up and running as well. She stated we did have a few glitches with the two systems not sharing information, but that is now corrected. She further stated people can pay online, in the office and on the phone with debit, credit cards, and the system will also take e-checks.

City Manager Ladner stated she will be out of the office from Thursday at noon until Tuesday, but will be available by phone or email. City Manager Ladner stated the Governor has assigned a task force regarding the pension funding and overhead liability and she will keep Council posted. Councilmember Kurtzweil stated Lyon Township does a lot of good things. She stated one of the things their Agenda has all their reports at the beginning of the meeting such as DDA, Fire and so on as opposed to the end of the Agenda, so the Department Heads may leave earlier if necessary. She stated it worked at Lyon Township, and it is just a suggestion, and it may streamline things a bit. She further stated Lyon Township keeps a spreadsheet pertaining to Ordinance and Zoning violations which includes when the file was opened, who the offender is and so on. She further stated they have done a great organizational sheet that is handed out each quarter.

Councilmember Kurtzweil stated she returned from out of town this weekend, and she had some emails from concerned residents. She stated there was a Facebook posting by Lori Mosier that was pertaining to the water billing problem, the posting said there is absolutely no need to contact City Council regarding

this matter at this point. She further stated that concerned some residents. She stated there are a lot of people out there that believe they are advocates and strong and passionate about what we say, and some individuals think this side-stepped Council. She further stated there were some comments made not very positive of City Hall regarding what is going on. City Manager Ladner stated she assumes that statement was made because the City Manager and staff run the daily operations of the City as it is written in the City Charter, and the daily operations of water billing and payments which doesn't need to be elevated to a policy setting issue. Councilmember Kurtzweil stated it could have been worded differently because it was interpreted very differently.

Councilmember Ryzyi stated he would like to thank City Manager Ladner for bringing up the subject of MERS. He further stated we went from 2.7 million unfunded liability to 4.7 million and that number isn't going away. He stated he also heard concerns from residents and they don't like being told they can't contact their City officials. He further stated he was very concerned about the last meeting not being recorded and the audio is not on the website. City Manager Ladner stated we have a loaner monitor, because they can no longer get parts for our recording system. She further stated she has contacted the Schools in regards to updating the system. Without updating we will continue to have challenges with recording the meetings. Councilmember Ryzyi asked when she contacted the company about fixing the equipment. City Manager Ladner stated the day after that and they have been working on it.

Councilmember Ryzyi stated people are asking him if this was sabotage. City Manager Ladner stated the equipment we use is as old as this building. Councilmember Ryzyi stated we need to have options in case that happens again. City Manager Ladner stated the official record of the meeting is the minutes, not the video. She further stated the schools had issues with this at their last meeting as well, but did not share the information with us.

COUNCIL COMMENTS

Councilmember Kivell thanked Chief Kennedy for the Fire Departments report. He further stated the report indicated that Lieutenant Demeniuk stepped away from the force because his business is doing so well, and that had taken place at the end of October and he was surprised to see that. Councilmember Kivell stated tomorrow is his wife's birthday, which is also Valentine's day. He further stated he hopes everyone has a nice week.

Councilmember Parisien stated she also wanted to thank Chief Kennedy for the yearly report, it was very concise, and well done. She further stated the new website is a huge step for us, very progressive, and we are on par with other communities with payments and it looks very professional. Councilmember Parisien stated the Historical Society is putting on an event Tuesday the 21st at 7:00 p.m. called Rare, Royal and Ridiculous and everyone should check it out. She further stated she wished everyone a happy Valentine's Day and thanked everyone for listening.

Councilmember Ryzyi stated as a Councilmember he likes to keep up to date regarding the things facing our City. One of the things he stumbled across was in the January 9th meeting the topic of a recreation center came up and it suggested it was an exploratory committee only. He further stated he wants to clear the record from his view, which is a recreation center is a terrific idea, but not in the City of South Lyon. We don't have the landmass for that. He further stated the topic was that it was going to be in McHattie Park, and that was the plan. There were people lined up out the door speaking for an hour or so, they were very upset. He stated on June 22 2015, we were asked to pass a resolution which stated McHattie Park is seeking to have a location formally designated as a conceptual location and information related to preparing for a joint community vote for the construction of the community recreation center. He stated it also stated to designate the selected location of McHattie Park as the location for community recreation center. He further stated the location of McHattie Park was mentioned 3 times, and the designated area

was mentioned twice. He further stated the resolution also called for a vote. He stated this document was basically handing over the keys to one of our gems, and he couldn't support it. He is mentioning this because during election season is when this usually comes up. Councilmember Rzyzi stated when this was voted on in 2015, we didn't vote to pass this resolution, we just motioned to postpone the discussion. He further stated he is telling all the voters, if this comes up again, he is against a recreation center anywhere in the City of South Lyon, but is all for one in Lyon Township. Councilmember Rzyzi wished everyone a good week.

Councilmember Kramer stated he is amazed with the fascination with the recreation center. He further stated the 3 communities that were looking at doing a community rec center decided it just didn't work, and as far as the communities are concerned, it will not go anywhere in the future.

Councilmember Kurtzweil asked Attorney Wilhelm if he had a chance to amend the December 9th invoice to reflect the phone call conversations that was brought to his attention. Attorney Wilhelm stated he will not be amending the invoice. Councilmember Kurtzweil asked if Attorney Wilhelm had a chance to review the minutes from February 9 2015 to see if a decision was made regarding purchasing property. Attorney Wilhelm stated he provided a copy of the minutes along with his letter. City Manager Ladner stated there would not be any closed session minutes from 2015 because they are destroyed after a year. Councilmember Kurtzweil stated the City Manager Ladner is correct, according to the Open Meetings Act does say minutes are held for a year for a closed session. She was asking about the closed session minutes and if there was a decision made in the closed session and the way to find if a decision was made would be to go to the closed session, your answer shows that you don't know the closed session minutes are to be destroyed after a year. Attorney Wilhelm stated he was asking for clarification between the open and closed meeting.

Councilmember Kurtzweil stated she has spoken with some potential candidates and she thinks they will be fabulous, and she hopes they decide to go through with their decision to run for Council. She stated that question was asked for her. She further stated the reason she ran was when she reviewed a Council meeting of 4/13/15. At that meeting a resident revealed she received a \$1,244.00 water bill from the City. She lived alone, and never knew the total of the bill was false. She called the City, and the person that does the utility billing told her that that was a false reading, and there was inappropriate conduct of a City employee. Mayor Pro Tem Wedell gavelled Councilmember Kurtzweil 3 times saying her comments were out of line. Mayor Pro Tem Wedell stated he is calling for an adjournment. Councilmember Kurtzweil stated you are covering things up. Councilmember Rzyzi stated you are violating Council rules and this is a cover up same as the meeting not being recorded.

ADJOURNMENT

CM 2-7-16 MOTION TO ADJOURN

Motion by Kivell, supported by Parisien

Motion to adjourn meeting at 9:00 p.m.

VOTE: MOTION CARRIED

Respectfully submitted,

Mayor Pro Tem Wedell

Lisa Deaton Clerk/Treasurer