

A Regular Meeting of the Sylvan Lake City Council was held on Wednesday, August 10, 2016 opening at 7:30 p.m. Mayor Dzenko presided over the Pledge of Allegiance.

Present: Cassar, Dzenko, Meskin, Zubrzycki

Absent: Lorenz

Also Present: City Manager Martin, Clerk Dryden and Attorney Schultz

APPROVAL OF AGENDA

Moved by Cassar, seconded Zubrzycki, to approve the City Council Agenda for August 10, 2016, as submitted.

Yes: All

No: None

MOTION CARRIED

APPROVAL OF MINUTES

Moved by Meskin, seconded Zubrzycki, to approve the regular meeting minutes of July 20, 2016, as amended.

Yes: All

No: None

MOTION CARRIED

APPROVAL OF DISBURSEMENTS

Moved by Cassar, seconded Zubrzycki, to approve the voucher report for August totaling \$235,109.76, as submitted.

July Payroll	\$ 48,312.77	Check #'s	11816-11820 DD2697-DD2727 EFT1071-EFT1074
Accts Pay-July-Aug	<u>\$186,938.99</u>	Check #'s	489968-49023 EFT 1230-1238, 1243-1248, 1251-54 (E)
Totaling	\$235,251.76	ACH	1239-1242, 1249-1250, 1255-1260 (A)

Yes: All

No: None

MOTION CARRIED

ACCEPTANCE OF REPORTS

Mayor Dzenko received the DPW and the Police reports for July; and asked that they be placed on file. Attorney Schultz will get his report to Council soon.

COMMITTEE REPORTS

The July Board of Review was on 7/19/16 to make administrative corrections. There was also one hardship. Endres looks forward to seeing City Council at the next Greater West Bloomfield Cable Communication Committee meeting.

Helen Jane Peters announced the Garden Club is holding the annual Ice Cream Social August 18th from 6-8 p.m. Anyone who wants to make a cake should let Helen Jane know.

Graham Cousens reported for Planning Commission, stating they will be reviewing obstructions on corner lots.

BRIEF PUBLIC COMMENTS FOR ITEMS NOT ON THE AGENDA

PR-002-16 P1-005-16

Pete Peters shared last night there were a group of women, 75-100 of them, doing a yoga party which lasted 30-45 minutes. It was very loud and out of control. He asked why this is allowed in the park and were park tags checked? He did call the Police, at the end of the program. They told him they had a permit to be down there. Peters encouraged City Council and management to make sure this doesn't happen again. Brian Etter added for clarification, half the women there were residents.

CE-001-16

MaryAnn Smith commented that flags are put on every property for the 4th of July, by a resident. It is very nice, but now they are still out there laying on the ground and in bushes. This is disrespectful to the American Flag. They should be taken down one week after the 4th and the city shouldn't have to do it. The person who put them up should.

Helen Jane Peters shared maps from the 1930's showing the four townships coming together in Sylvan Lake. She would like to put a marker up. Also "Mary's Little Lamb" painting has been restored and is being framed. It will be hung at City Hall for everyone to see. Peters also shared explorers came to this area in 1818. It was five men on horseback rode this area for 12 days. She showed a map tracing where they went. Our lake was Lake Whitney named after one of the men, which became Timber Lake, Otter Lake and then Sylvan Lake. Each of the five men named a lake after themselves.

Bob Duschinske asked for an update on current water rates. He talked to friends who live in West Bloomfield and Keego Harbor and their bill isn't this high. We are all on the same system. Sylvan

Lake must be doing something wrong.

CITY MANAGER COMMENTS

Martin stated it's great to see everybody. What a beautiful Day today and a nice weekend too. Hard to believe kids are getting ready to go back to school!

Events

There really weren't any big city events in July other than the annual fireworks that were discussed at the last meeting. However, the annual Ice Cream Social hosted by the Sylvan Lake Garden Club will be next Thursday, August 18th this, along with the Memorial Day parade is one of the long standing community events for all ages. Unfortunately, he will be out of town next week and will miss it.

Election

The Primary Election that was held August 2 went very well.

Water Bills

U-002-16

Last month Martin mentioned that the Water Bills would be mailed soon and reminded residents that the rate increase approved in January would be in effect along with the discontinuing of the summer sewer averaging. He also stated that since the water rate increase was approved in January, the City received another increase of a little over 4% from GLWA (Great Lakes Water Authority) that was not calculated into our rate increase. At the meeting in January and again at the budget public hearing in May, some contradictory questions and statements were made by attendees in the audience. The question of why the rates went up so much a year ago was explained – dealing with Detroit Water, contracts, and then dealing with Pontiac Sewer department. The rates to residents hadn't been increased in 8 years, etc. The argument was made that they should have been increased every year, not wait and do it all at once. City Council listened and agreed that would be the case. Revenue and expenditures would be reviewed annually and appropriate rate adjustments made in January to go into effect in July. When City Council approved the rate increase in January, the next question raised by residents was, "you just raised the rates last year and now you're going to again?" You should expect the water and sewer rates to increase annually. We have a water and sewer system that are both over 60 years old. We have made many improvements to the system to enable us to provide reliable and safe drinking water and fire protection. It is City Council's duty to do that and they will continue.

What made the greatest impact in the water and sewer bills this time was the discontinuing of the sewer averaging. The sewer averaging was very time consuming and unfair for a number of reasons. City Council decided the fairest way to give discounts for people watering lawns, washing cars and other outdoor use was to offer and encourage the installation of a second meter for that purpose. The second meter could be installed and used for any outdoor use without being charged for sewage disposal. City Council also approved eliminating the quarterly meter fee for the second meter for

outdoor use. Now the metering and billing is very fair. People will quickly see the benefit of having an irrigation meter if they do very much watering.

As Martin mentioned, when the rate increases and elimination of the summer sewer averaging were discussed in January, the meeting was heavily publicized and very well attended. The meeting was held January 13th. On January 15th the information was put on our website explaining what was done and that it would go into effect for the July bill. In March we publicized the information about a second meter and how to go about installing one. We did our part to inform the residents.

We did not and will not know the full effect of discontinuing the sewer averaging. Martin is assuming that many people with high water/sewer bills will look into getting a second meter to save money. So we will not be able to take this recent billing and the next one and decide if we are now receiving too much revenue from the sewer fees. The more people that install a second meter, the more they will save but that much less will be received as sewer revenue. It still seems to be the fairest system and we will continue to evaluate it.

Martin reviewed he stated a couple years ago that water and sewer was becoming a valuable commodity and most communities were not charging enough for it. However, even at the current rates it is still cheaper than a \$5.50 coffee at your favorite coffee shop every morning. That equals \$495 a quarter by the way. Or how about that bottled water we buy? A great deal is 88 cents for a gallon, equaling \$880/1,000 gallons. When you break down a quarterly bill using 20,000 gallons, which is higher than the quarterly average of 13,000 gallons, the total bill is \$379.72. Broken down to \$227.20 for sewer and \$152.52 for water per quarter. Taking that one step further to our normal mind set of paying bills monthly, the total bill drops down to \$126.57 per month total and \$75.73/month for sewer and \$50.84/month for water. So there are a number of factors that come into play; how much we used to pay when water was cheap, the fact that we pay per quarter instead of monthly and that the water and sewer bills are together instead of separate. One thing we will be looking very closely at is billing bimonthly instead of quarterly. It would be more work for City Hall, but would reduce the bill by 1/3. If you paid \$300 every quarter, it would \$200 every other month.

After the SAW grant project is complete, Martin will again investigate the possibility of outsourcing the water and sewer operations to the Water Resources Commission. If there is a savings, it will be thoroughly discussed.

Pete Peters asked if you can have a well or can you draw water from the lake, would the City allow this? Martin stated that is a good question. If you live on the lake or across the street and you can get an underground line out to the lake for irrigation, yes that is allowed. If you want to put in a shallow well for irrigation, yes you can. It cannot be used for the household.

COUNCIL COMMENTS

Cassar thanked everyone for being here and their comments. He hopes Martin's explanation answered everyone's questions about the water. This has been discussed and reviewed with the residents many times over the last year. He thanked Helen Jane Peters for her history of the city. He agreed with MaryAnn Smith it is disrespectful for flags being left on the ground and agrees there should be a time frame which they should be picked up.

Zubrzycki thanked everyone for coming. Cindy Forcier interrupted him and asked when she would be allowed to speak. Mayor Dzenko informed her she should have spoken during public comment. Forcier stated public comment wasn't announced. Dzenko stated it was and people spoke. He allowed her to speak. Forcier asked if a study has been done to get the water tower back online again. She asked if the dollar amount is in the water department. Are we in the hole? Martin stated the water department is not in the hole, he doesn't recall what the dollar amount is. The sewer department was at zero. She asked if this is public information. Martin and Mayor Dzenko informed her it is public information. Forcier stated her son lives in Keego Harbor and his bill is half of hers. She asked how an elderly person is going to afford this. Is the City offering any help? Where is the cap on raising rates? Dzenko responded we are not Detroit and we have no control over what they charge the city. Dzenko shared he spoke with Martin today regarding doing a study to refurbish the tower. Forcier doesn't want an expensive study done. If it was found to be an option, Dzenko would then like to put it to a vote of the residents to issue a bond to finance the refurbishing of the water tower. That is the only way we will have control of the water.

Forcier also asked when the Pontiac Teacher fund will be paid off. Martin stated that was only one year and it was done years ago. Cassar added everyone should check their plumbing fixtures. He found one toilet was running and it cost him a lot.

Zubrzycki continued, he thanked everyone for their comments. He stated City Council does talk about the budget regularly. All of City Council pay the same high water/sewer bills and they don't like it either. He added the water/sewer funds can't make a profit. Each year all funds are audited. Detroit increased the rate again a couple months ago and it was in the paper that Keego Harbor just increased their rates. He also spoke with Martin regarding where cuts can be made. With regard to the Yoga in the park, Peters did the right thing by calling the police. Zubrzycki asked Martin to make sure all the officers are trained on city services/permits. He doesn't know about a permit being issued. Zubrzycki mentioned the public comment portion of the meeting and stated a lot of communities would not have let Forcier speak. He also agreed it is not unreasonable to asked to have the flags removed within a time frame. He expressed good luck to the five candidates running for the four City Council seats.

Meskin asked if Martin knew anything about the house on Inverness that is in poor condition. Dryden stated it has sold and she heard it will be a flip house. Meskin wanted it make clear that the water/sewer rates have increased 78% over the last two years. He suggested City Council pass a motion to allow residents to pay 50% on August 20th, 20% in September and 20-% in October, in order to help residents, get through this. Also City Council must review the revenues and expenditures as the General Fund has \$1,000,000 in it. When the audit is done in October he wants

to bring in another auditor, not the same ones the City has been using for the last 12 years. He needs a thorough review why we have 1,000,000 in the general fund and the garbage and rubbish fund has no money and they increased the rates. They need to look at all the finances and determine if it is being done correctly. He questions if the book keeping system is being done correctly. He has looked at 12-15 other small communities and is not seeing any other community doing books the same way. He is not blaming anyone at City Hall.

Dzenko thanked everyone for coming. Again, he did speak with Martin regarding finding out the expense to get the tower back online, vote a bond issue, and the residents will decide if this is the direction they want to go. A water softener would be needed again.

ACTION ITEMS

- a. Ballot Language for Petition -initiated ballot proposal – Forfeitures **E-001-16** **R2-008-16**

Martin stated a petition was turned in to the City on August 1st regarding forfeitures. The petition circulated didn't have ballot language. It did have proposed language for a Charter Amendment. The city is required to put a question on the ballot for a Charter Amendment as a result of a petition that was circulated and turned into the Clerk this week. Attorney Schultz added it is a proposal to amend the City Charter. The Charter can be changed in two ways-one City Council puts approves to put a question before the voters, or two, anybody can get a question on the ballot by petition. Going by the Home Rule Act, 72 valid signatures were required for Sylvan Lake and they qualified with 89 signatures. This petition describes what they want to do with 290 words, but they didn't provide a question in the required 100 words or less. Because they didn't prepare a question, City Council has the obligation to create that question, which has to be 100 words of fair neutral language. The resolution before council is our best attempt to describe that 290-word change to the Charter in a 100 words. The next step after this will be the Attorney General and Governor will give their opinion on this. The Attorney General will say if this generally describes what the language stated. There is a fair chance that the Governor will not like this proposed change to the Charter because it is probably in some ways inconsistent with State Law. Whether the Governor approves this or not, it is a citizen initiated petition and it must go on the ballot.

Meskin stated if State Law say the Police Department has to get the funds doesn't this make this obsolete. Attorney Schultz didn't prepare a formal opinion on this. Meskin asked if City Council could send a letter opposing this. Schultz stated they could send additional correspondence.

Zubrzycki is not sure what all this means. Schultz gave an informal explanation. Zubrzycki asked who decides "full compensation" and is there liability to the city. Schultz stated this could be a limitation on the city, a potential cost. It is something new and probably doesn't exist today. Zubrzycki stated this is really a State issue and they are going locally to change things. Schultz felt this is fair to say.

Moved by Cassar, seconded Meskin, to adopt the resolution regarding submission of Charter Amendment ballot proposal to electors.

Yes: Dzenko, Meskin, Zubrzycki, Cassar
No: None

RESOLUTION ADOPTED

b. Discussion – Ordinance 326, Consumer Power Franchise Ordinance O-005-16

Martin explained the franchise ordinance expires on September 19, 2016. Due to a Charter provision, outlining pre-adoption publication requirement for Franchise Ordinances, adoption at this meeting is not an option. Adoption at the September 14th meeting would not allow the Ordinance to take effect until September 24th, after the current franchise expires. Martin is requesting to make the Study Session, August 23rd a Special Meeting in order to adopt this ordinance. Schultz further explained the franchise is the mechanism under state law and you give some other company the right to occupy your public right-of-way.

Martin stated no action is needed. If Council agrees, this will be on the agenda at a Special Meeting, August 23rd. Council agreed to make the August 23rd Study Session a Special Meeting.

c. Resolution Approving Assessing Agreement with Bloomfield Township R2-009-16 CA-008-16

Martin reviewed this agreement is for three years. The City has been very happy with their work. They are very professional and responsive to our questions. The increase is about 6% over the 3 years which is less than 2% per year compounded.

Jim Endres feels this is a sweetheart deal.

Moved by Cassar, seconded Meskin, to approve the 3-year intergovernmental Agreement for Assessing Services with Bloomfield Township.

Yes: Meskin, Zubrzycki, Cassar, Dzenko
No: None

MOTION CARRIED

MaryAnn Smith wants a link to Oakland County on the city website so she can look up taxes and her values, etc. Dryden stated you can look up your taxes on the city website already. Smith wants a link to Oakland County. Martin stated we can look into this.

NON-ACTION ITEMS

- a. Security for Ferndale Park, Restroom and Boat Launch
- b. Parking in ROW
- c. Fire Department
- d. Seawall – Pontiac Drive and Lakeview Beach
- e. ROW Policy
- f. Golf Carts
- g. Lake Weed Control

ADJOURNMENT

Moved by Cassar, seconded Zubrzycki, to adjourn the regular City Council Meeting.

Yes: All
No: None

MOTION CARRIED

The meeting adjourned at 8:43 p.m.

Dennise Dryden, City Clerk