

**CITY OF WIXOM
49045 PONTIAC TRAIL
REGULAR CITY COUNCIL MEETING MINUTES
TUESDAY, MAY 23, 2017**

Mayor Hinkley called the meeting to order at 7:00 p.m. at which time the Pledge of Allegiance was recited.

Present:

Mayor: K. Hinkley
Deputy Mayor: R. Ziegler
Councilmembers: P. Beagle
K. Gottschall
N. Kennedy (Excused)
T. Rzeznik
R. Smiley

AGENDA CHANGES: (None)

PUBLIC HEARING:

1.) Fiscal Year 2017-2018 Proposed Budget Public Hearing

Mayor Hinkley read the rules for speaking at a Public Hearing.

Marilyn Stamper said that tonight's Budget Hearing was in compliance with Section 8.3 of the City Charter. She explained that the proposed Budget was presented to Council on April 11, 2017. During the Budget Study Sessions, there was a reduction of Operating Expenditures of \$39,226 and a change to Other Funds with a reduction of \$27,500. She noted the Taxable Value was estimated to increase 3.83%. She said they anticipated that they would receive a payment of \$179,672 as a reimbursement of Personal Property Loss. The budget included an overall City millage rate of 14.1629, which was a decrease of .076 mills due to a reduction of the water utility debt millage. She explained that there was an overall increase of 4.26925% in revenue and that they continued to budget for the OPEB liability. She explained how they looked at the bonding alternatives and that they were still waiting on those reports to come back. She said that the Budget Stabilization Fund ending balance for 2017/2018 would be \$4.8 million with a General Fund balance of \$2.3 million. She said the DDA debt contribution was estimated to be reduced to \$71,000 because of the added development and capturing of more taxes. They figured by 2019/2020, the DDA may be able to repay the City back for the debt. She noted that the full time positions discussed during the Budget Study Sessions had been added, and those positions were the Fire Inspector, Fire EMS Coordinator, and the Parks & Recreation Supervisor. The solid waste collection and recycling fee would increase from \$162/year to \$164/year. The combined sewer and water utility rates were going to increase from \$59.00/mcf to \$64.10/mcf. The sewer commodity rate was going to increase from \$22.75/mcf to \$25.30 with a cap if \$101.54/quarter. The residential flat rate would also increase from \$60.00/quarter to \$69.00/quarter. The water commodity rate increased from \$36.25/mcf to \$38.80/mcf. Discussions were held during the Study Sessions and it was necessary

to issue a revenue bond in order to complete the needed capital improvements at the wastewater treatment plant. She said that was planned to occur during the 2017/2018 Fiscal Year. The capital contribution from the General Fund would be \$975,481 and the actual cost of capital expenditures was \$1.4 million due to the ten-year funding period. Some modifications were made to capital to reduce the public restroom upgrades and painting at City Hall and they added cemetery landscape improvements. She said they had some Major Road improvements of \$70,116 with the completion of the Beck Road project. The Local Road improvements were \$475,000 so they could fund the pavement preservation and the Highgates engineering. The LDFA road project of \$1,214,776 provided funding for the completion of Beck Road, Anthony Drive, Frank Street, Wixom Tech, West Tech and West Road. She believed they would receive federal aid for West Road of \$854,000. The Safety Bike Path improvements of \$195,000 were budgeted to include the Beck and Wixom Road railroad crossing and city-wide maintenance and repairs. The Wastewater improvements of \$1,175,000 consisted of the solids handling project, sewer televising and cleaning, manhole repairs and plant improvements with \$928,471 coming back to the City in 2017/2018 from the SAW grant funding. The Water improvements of \$425,500 consist of the water main extension across I-96, meter replacement, distribution, valves and hydrants, water reliability study and some general repairs. The City received \$926,191 of the anticipated \$3,240,645 of award grant monies and we hoped to receive some of the funds before the end of the fiscal year.

Mayor Hinkley wondered if the Safety Path improvements were the old Coe Railway. Mr. Sikma said no as they were for the railroads on Wixom Road and Beck Road. There were no bike bath crossings but funding should provide for that.

Mayor Hinkley read the rules again and opened the Public Hearing at 7:16 p.m.

Shirley Pfeffer, 31207 Lakeview Blvd, Apartment #2101, spoke on behalf of the Wixom Senior Center. As a member of the Senior Commission, she truly loved the Senior Center more than anything else. She said the senior citizens loved the Center and hoped to make it more than what it was. With help from the Senior Coordinator, they believed they had the ability to do more. She did not feel this budget addressed the plans for the Senior Center in 2018. She did not hear any specifics regarding the Senior Center in the budget; although, she heard a lot of mumbo-jumbo with numbers. She explained that a lot of rumors had been floating around but the senior citizens needed to know something specific. They wanted to know whether the Center was going to stay or go. The Center was now open on Fridays and she was unsure if that would continue. She was aware that Mr. Goodlein was retiring and she wasn't sure where Mr. Brown stood on this topic. She asked the Council to give a guideline as to what may happen in the future. A lot of the seniors could not make it to tonight's meeting as it was short notice when they were told to come tonight since the budget was being addressed.

Mayor Hinkley assured her that they would not be closing the Senior Center.

The Public Hearing was closed at 7:22 p.m.

PRESENTATIONS:**1.) Student Painters Proclamation**

Mayor Hinkley read the proclamation and presented it to Jackson Bleibtry.

MINUTES:

CM-05-74-17: Moved and seconded by Councilmembers Rzeznik and Beagle to approve the Regular City Council meeting minutes of May 9, 2017.

Vote:

Motion Carried

CORRESPONDENCE:

- 1.) Notice of Hearing for the Customers of Consumers Energy Company - Case No. U-18261**
- 2.) Notice of Hearing for the Customers of DTE Electric Company - Case No. U-17920-R**
- 3.) Notice of Hearing for the Great Lakes Water Authority Wastewater Conveyance System FY18 State Revolving Fund Projects**
- 4.) Notice of Hearing for the Great Lakes Water Authority Water Resource Recovery Facility FY18 State Revolving Fund Projects**
- 5.) Memorandum Regarding the Walled Lake Consolidated School District (WLCSD) Taping of City Council Meetings – Update**
- 6.) Memorandum Regarding the Sidewalk Inventory and Cost-Analysis**

CALL TO THE PUBLIC:

There were no comments at this time.

CITY MANAGER REPORTS:**1.) Departmental Monthly Reports – April 2017**

Councilmember Rzeznik asked Ms. Magee why the last two years sponsorships were higher for Lite the Nite. Ms. Magee felt confident there would be money coming as it got closer to the event or when the Summer Concert Series started.

CONSENT AGENDA:

CM-05-75-17: Motion and seconded by made by Deputy Mayor Ziegler and Councilmember Smiley to approve the Consent Agenda as presented which included:

- 1.) Approval to receive and file:
 - a. Senior Citizen Commission Minutes of March 14, 2017

Vote:

Motion Carried

UNFINISHED BUSINESS:

1.) Approval of the Fiscal Year 2017-2018 Budget and Adoption of the Requisite Budget Resolutions

CM-05-76-17: Moved and seconded by Councilmembers Rzeznik and Beagle to approve the Fiscal Year 2017-2018 Budget and Adopt the following Requisite Budget Resolutions:

**CITY OF WIXOM
RESOLUTION 2017-10
FISCAL YEAR 2017-2018 GENERAL FUND MILLAGE RATE**

WHEREAS the City Manager heretofore has submitted to this Council an annual budget for the year beginning July 1, 2017, and ending June 30, 2018, as required by the City Charter of this City; and

WHEREAS a Public Hearing was held on the said budget after the publication of notice thereof according to law; and

WHEREAS the Council has carefully considered each and every item of the budget separately.

NOW THEREFORE, BE IT RESOLVED that the Clerk of this City be and is hereby ordered and directed to certify to the Assessor of this City that the several amounts of appropriations herein determined and aggregate thereof (less the estimate of the amount of revenue from other sources) are to be raised by General Tax spread on Real and Personal Property. Taxable valuation as equalized for year 2017 of the property in the City of Wixom is \$681,484,650. Taxable valuation on Industrial Facilities Tax as equalized for year 2017 of the property in the City of Wixom is \$11,708,420. The Tax rate is tentatively determined to be 7.5429 per \$1,000 of Taxable Valuation as equalized.

**CITY OF WIXOM
RESOLUTION 2017-11
FISCAL YEAR 2017-2018 DEDICATED MILLAGE RATE**

WHEREAS the electors of the City of Wixom voted to permit the levy by the City, beginning July 2017, of a new dedicated millage in an amount of up to 3.50 mills (which is equal to \$3.50 on each \$1,000 of taxable value) for four (4) years to provide funds for municipal operating purposes including police and fire, public works, and parks & recreation; and

WHEREAS the City Manager heretofore has submitted to this Council an annual budget for the year beginning July 1, 2017, and ending June 30, 2018, as required by the City Charter of this City; and

WHEREAS a Public Hearing was held on the said budget after the publication of notice thereof according to law; and

WHEREAS the Council has carefully considered each and every item of the budget separately.

NOW THEREFORE, BE IT RESOLVED that the Clerk of this City be and is hereby ordered and directed to certify to the Assessor of this City that the several amounts of appropriations herein determined and aggregate thereof (less the estimate of the amount of revenue from other sources) are to be raised by General Tax spread on Real and Personal Property. Taxable valuation as equalized for year 2017 of the property in the City of Wixom is \$681,484,650. Taxable valuation on Industrial Facilities Tax as equalized for year 2017 of the property in the City of Wixom is \$11,708,420. The Tax rate is tentatively determined to be 3.5000 per \$1,000 of Taxable Valuation as equalized.

**CITY OF WIXOM
RESOLUTION 2017-12
FISCAL YEAR 2017-2018 GENERAL FUND BUDGET**

<u>Revenues (Ref. Page 16)</u>	<u>Appropriation</u>
Taxes and Special Assessments	\$ 7,752,771
Intergovernmental	\$ 1,306,826
Licenses & Permits	\$ 638,250
Other Revenues	\$ 1,559,519
Interfund Revenues	\$ 0
Appropriation of Fund Balance	<u>\$ -76,355</u>
Total Operating Revenues	<u>\$11,181,011</u>
<u>Expenditures (Ref. Page 17)</u>	
City Council	\$ 16,526
City Manager's Office	\$ 280,972
Economic Development /Assessing	\$ 284,500
Building (Construction & Dev.)	\$ 546,273
Legal Counsel and Assistance	\$ 80,500
City Clerk	\$ 199,123
Information Systems	\$ 121,000
Financial Administration	\$ 361,505
General Operating	\$ 1,866,097
Building Maintenance	\$ 72,300
Cultural Center	\$ 322,657
Fire	\$ 1,051,619
Police	\$ 3,319,613
DPW	\$ 1,029,313
Zoning Board of Appeals	\$ 5,500
Board of Review	\$ 2,546
Planning Committee	\$ 101,150
Senior Citizen Committee	\$ 68,927
Parks & Recreation	\$ 404,542
Interfund Transfers	<u>\$ 1,046,348</u>
Total Expenditures	<u>\$11,181,011</u>

**CITY OF WIXOM
RESOLUTION 2017-13
FISCAL YEAR 2017-2018 LIBRARY MILLAGE RATE**

- WHEREAS** the Library Director heretofore has submitted to the Library Board an annual budget for the year beginning July 1, 2017, and ending June 30, 2018, as required by the Michigan Public Act 164 of 1877; and
- WHEREAS** a Public Hearing was held May 22, 2017, on the said budget after the publication of notice thereof according to law; and
- WHEREAS** the Library Board has carefully considered each and every item of the budget separately and approved this budget for the FY 2017-18; and
- WHEREAS** Section 10a (3) of Michigan Public Act of 164 of 1877 directs the Board of Directors of a library established under the act to report an estimate of library millage "...to the legislative body of the city"; and
- WHEREAS** Section 10a (3) of Public Act 164 of 1877 sets forth that upon receipt of the millage estimate report from the Library Board "the legislative body shall cause to be raised by

tax upon the taxable property in the city the amount of the estimate in the same manner that other general taxes are raised in the city."

NOW THEREFORE, BE IT RESOLVED that the Clerk of this City be and is hereby ordered and directed to certify to the Assessor of this City that the several amounts of appropriations herein determined and aggregate thereof (less the estimate of the amount of revenue from other sources) are to be raised by General Tax spread on Real and Personal Property and that taxable valuation as equalized for year 2017 of the property in the City of Wixom is \$681,484,650 and on Industrial Facilities Tax as equalized is \$11,708,420.

BE IT FURTHER RESOLVED that the tax rate is determined as reported by the Wixom Library Board to be 1.08 per \$1,000 of taxable valuation as equalized.

**CITY OF WIXOM
RESOLUTION 2017-14
FISCAL YEAR 2017-2018 BROWNFIELD MILLAGE RATE**

WHEREAS Act 197 of the Public Acts of 1975 and Act 450 of the Public Acts of 1980 allow the tax levy of all taxing bodies paid each year on real and personal property in the development area to be transmitted to the Development Authority.

NOW THEREFORE, BE IT RESOLVED that the Clerk of this City be and is hereby ordered and directed to certify to the Assessor of this City that the taxable valuation as equalized for year 2017 of the Brownfield Redevelopment District of the City of Wixom is \$899,370, captured value \$570,130. The tax rate is tentatively determined to be 13.5729 (includes Library) per \$1,000 of Taxable Valuation as equalized.

**CITY OF WIXOM
RESOLUTION 2017-15
FISCAL YEAR 2017-2018 DDA MILLAGE RATE**

WHEREAS Act 197 of the Public Acts of 1975 and Act 450 of the Public Acts of 1980 allow the tax levy of all taxing bodies paid each year on real and personal property in the development area to be transmitted to the Development Authority.

NOW THEREFORE, BE IT RESOLVED that the Clerk of this City be and is hereby ordered and directed to certify to the Assessor of this City that the taxable valuation as equalized for year 2017 of the Downtown Development Authority of the City of Wixom is \$21,989,980, captured value \$15,914,390. The tax rate is tentatively determined to be 13.5729 (includes Library) per \$1,000 of Taxable Valuation as equalized.

**CITY OF WIXOM
RESOLUTION 2017-16
FISCAL YEAR 2017-2018 DDA SPECIAL MILLAGE RATE**

WHEREAS Public Act 197 of 1975 authorizes communities to form Downtown Development Authorities to promote economic growth and stability in downtown areas defined by a community; and

WHEREAS Public Act 197 gives such Downtown Development Authorities, with permission of the municipal governing body, the power to levy not more than 2 mills on properties located within said district to partially fund Downtown Development Authority activities; and

WHEREAS the City of Wixom has formed a Downtown Development Authority and the Wixom City Council has considered and approved a millage request.

NOW, THEREFORE, BE IT RESOLVED that the Clerk of this City be and is hereby ordered and directed to certify to the Assessor of this City that the taxable valuation as equalized for year 2017 of the Downtown Development Authority of the City of Wixom is \$21,989,980, captured value

\$15,914,390. Taxable valuation on the Brownfield Redevelopment District as equalized for year 2017 of the property in the City of Wixom is \$899,370, captured value \$570,130. The Tax rate is tentatively determined to be 1.5728 per \$1,000 of Taxable Valuation as equalized.

**CITY OF WIXOM
RESOLUTION 2017-17
FISCAL YEAR 2017-2018 DDA FUND BUDGET**

<u>Revenues</u>	<u>Appropriation</u>
Property Tax	\$ 358,984
Delinquent Interest & Penalty	\$ 250
Interest Income	\$ 65
Special Millage	\$ 10,039
State Revenue Personal Property Small Tax Loss	\$ 4,483
Donations	\$ 5,000
Appropriation from Fund Balance	\$ <u>0</u>
 Total Revenues	 \$ <u>378,821</u>
 <u>Expenditures</u>	
DDA Expenditures	\$ 21,600
Transfer to DDA Construction Debt	\$ <u>357,221</u>
 Total Expenditures	 \$ <u>378,821</u>

**CITY OF WIXOM
RESOLUTION 2017-18
FISCAL YEAR 2017-2018 CDBG FUND BUDGET**

<u>Revenues</u>	<u>Appropriation</u>
CDBG Revenues	\$ 40,393
Appropriation from Fund Balance	\$ <u>0</u>
 Total Revenues	 \$ <u>40,393</u>
 <u>Expenditures</u>	
CDBG Expenditures	\$ <u>40,393</u>
 Total Expenditures	 \$ <u>40,393</u>

**CITY OF WIXOM
RESOLUTION 2017-19
FISCAL YEAR 2017-2018 LAND ACQUISITION FUND BUDGET**

<u>Revenues</u>	<u>Appropriation</u>
Interest Income	\$ 4,500
Appropriation from Fund Balance	\$ <u>1,438,275</u>
 Total Revenues	 \$ <u>1,442,775</u>
 <u>Expenditures</u>	
Audit	\$ 775
Land Acquisition Expenditures	\$ <u>1,442,000</u>
 Total Expenditures	 \$ <u>1,442,775</u>

**CITY OF WIXOM
RESOLUTION 2017-20
FISCAL YEAR 2017-2018 LDFA PROJECT FUND BUDGET**

<u>Revenues</u>	<u>Appropriation</u>
Local Share	\$ 0
Interest Income	\$ 2,500
Appropriation from Fund Balance	<u>\$ 1,213,033</u>
 Total Revenues	 <u>\$ 1,215,533</u>
 <u>Expenditures</u>	
Construction	\$ 1,118,714
Engineering	\$ 96,062
Audit Fee	<u>\$ 757</u>
 Total Expenditures	 <u>\$ 1,215,533</u>

**CITY OF WIXOM
RESOLUTION 2017-21
FISCAL YEAR 2017-2018 MAJOR ROAD FUND BUDGET**

<u>Revenues</u>	<u>Appropriation</u>
Interest Income	\$ 1,500
Contribution – Major Road Capital Fund	\$ 593,569
Act 51 Revenue	\$ 726,860
Appropriation from Fund Balance	<u>\$ 0</u>
 Total Revenues	 <u>\$ 1,321,929</u>
 <u>Expenditures</u>	
Maintenance Expenditures	\$ 726,860
Major Road Capital Expenditures	<u>\$ 70,116</u>
 Total Expenditures	 <u>\$ 796,976</u>
 Excess Revenues over Expenditures	 <u>\$ 524,953</u>

**CITY OF WIXOM
RESOLUTION 2017-22
FISCAL YEAR 2017-2018 LOCAL ROAD FUND BUDGET**

<u>Revenues</u>	<u>Appropriation</u>
Real Property Taxes	\$ 631,376
Personal Property Taxes	\$ 132,868
Delinquent Interest & Penalty	\$ 1,100
Industrial Facilities Tax	\$ 6,732
IFT Job Shortfall	\$ 1,177
Local Community Stabilization	\$ 27,393
Interest Income	\$ 2,500
Contribution – Local Road Capital Fund	\$ 1,189,892
Act 51 Revenue	\$ 658,678
Appropriation of Fund Balance	<u>\$ 0</u>
 Total Revenues	 <u>\$ 2,651,716</u>

Expenditures

Maintenance Expenditures	\$ 413,780
Local Road Capital Expenditures	\$ <u>475,000</u>
Total Expenditures	\$ <u>888,780</u>
Excess Revenues over Expenditures	\$ <u>1,762,936</u>

**CITY OF WIXOM
RESOLUTION 2017-23
FISCAL YEAR 2017-2018 LOCAL ROAD MILLAGE RATE**

WHEREAS the electors of the City of Wixom voted to levy not more than 1.15 mills per year for a period not to exceed fifteen years to provide funding for the maintenance and repair of local and major streets.

NOW THEREFORE, BE IT RESOLVED that the Clerk of this City be and is hereby ordered and directed to certify to the Assessor of this City that the several amounts of appropriations herein determined and aggregate thereof (less the estimate of the amount of revenue from other sources) are to be raised by General Tax spread on Real and Personal Property. Taxable valuation as equalized for year 2017 of the property in the City of Wixom is \$681,484,650. Taxable valuation on Industrial Facilities Tax as equalized for year 2017 of the property in the City of Wixom is \$11,708,420. The Tax rate is tentatively determined to be 1.1500 per \$1,000 of Taxable Valuation as equalized.

**CITY OF WIXOM
RESOLUTION 2017-24
FISCAL YEAR 2017-2018 SAFETY PATH PROGRAM FUND BUDGET**

<u>Revenues</u>	<u>Appropriation</u>
Real Property Taxes	\$ 164,707
Personal Property Taxes	\$ 34,661
Industrial Facilities Tax	\$ 1,756
Delinquent Personal Property	\$ 250
IFT Job Shortfall	\$ 307
Local Community Stabilization	\$ 7,146
Interest Income	\$ 150
Appropriation from Fund Balance	\$ <u>0</u>
Total Revenues	\$ <u>209,577</u>
<u>Expenditures</u>	
Local Road Expenditures	\$ <u>195,000</u>
Total Expenditures	\$ <u>195,000</u>
Excess Revenue over Expenditures	\$ <u>14,577</u>

**CITY OF WIXOM
RESOLUTION 2017-25
FISCAL YEAR 2017-2018 SAFETY PATH MILLAGE RATE**

WHEREAS the electors of the City of Wixom voted to levy not more than .30 mills per year for a period not to exceed fifteen years to provide additional revenues for bike path construction including property acquisition and planning.

NOW THEREFORE, BE IT RESOLVED that the Clerk of this City be and is hereby ordered and directed to certify to the Assessor of this City that the several amounts of appropriations herein determined and aggregate thereof (less the estimate of the amount of revenue from other sources)

are to be raised by General Tax spread on Real and Personal Property. Taxable valuation as equalized for year 2017 of the property in the City of Wixom is \$681,484,650. Taxable valuation on Industrial Facilities Tax as equalized for year 2017 of the property in the City of Wixom is \$11,708,420. The Tax rate is tentatively determined to be .30 per \$1,000 of Taxable Valuation as equalized.

**CITY OF WIXOM
RESOLUTION 2017-26
FISCAL YEAR 2017-2018 BUDGET STABILIZATION FUND BUDGET**

<u>Revenues</u>	<u>Appropriation</u>
Interest Income	\$ 6,000
Interfund Transfers	\$ 0
 Total Revenues	 \$ 6,000
 <u>Expenditures</u>	
Transfer to General Fund	\$ -0-
 Total Expenditures	 \$ -0-
 Excess Revenue over Expenditures	 \$ 6,000

**CITY OF WIXOM
RESOLUTION 2017-27
FISCAL YEAR 2017-2018 FORFEITURE TRUST FUND BUDGET**

<u>Revenues</u>	<u>Appropriation</u>
Miscellaneous Income	\$ 1,500
Interest Income	\$ 20
Appropriation from Fund Balance	\$ 3,480
 Total Revenues	 \$ 5,000
 <u>Expenditures</u>	
Miscellaneous Operating Expenditure	\$ 5,000
 Total Expenditures	 \$ 5,000

**CITY OF WIXOM
RESOLUTION 2017-28
FISCAL YEAR 2017-2018 FEDERAL POLICE FORFEITURE TRUST FUND BUDGET**

<u>Revenues</u>	<u>Appropriation</u>
Forfeiture Federal Income	\$ 50,000
Interest Income	\$ 0
 Total Revenues	 \$ 50,000
 <u>Expenditures</u>	
Forfeiture Federal Expenditure	\$ 50,000
 Total Expenditures	 \$ 50,000

**CITY OF WIXOM
RESOLUTION 2017-29
FISCAL YEAR 2017-2018 INSURANCE FUND – RETIREES BUDGET**

<u>Revenues</u>	<u>Appropriation</u>
Interest Income	\$ 300,000
Contribution – General Fund	\$ 625,000
Contribution – Library	\$ 10,161
Retiree Insurance Contribution	\$ 78,823
 Total Revenues	 \$ 1,013,984
 <u>Expenditures</u>	
Audit	\$ 885
Consultants & Personnel	\$ 1,400
Insurance Premium	\$ 651,333
 Total Expenditures	 \$ 653,618
 Excess Revenues over Expenditures	 \$ 360,366

**CITY OF WIXOM
RESOLUTION 2017-30
FISCAL YEAR 2017-2018 ANNUAL SOLID WASTE PICKUP FEE**

RESOLVE, the adoption of a resolution establishing a fee for the period July 1, 2017 through June 30, 2018, for solid waste collection and disposal in accordance with Ordinance #161, Section 9, Paragraph A and B as follows:

Description	Single Family	Eligible - 65+ Senior Citizens
Per Year	\$164	\$100

**CITY OF WIXOM
RESOLUTION 2017-31
FISCAL YEAR 2017-2018 SOLID WASTE FUND BUDGET**

<u>Revenues</u>	<u>Appropriation</u>
Solid Waste Collection	\$ 514,376
Interest Income	\$ 1,500
Delinquent Penalty & Interest	\$ 400
Revenue Profit Sharing	\$ 0
Miscellaneous Revenue	\$ 1,464
Appropriation from Fund Balance	\$ 4,325
 Total Revenues	 \$ 522,065
 <u>Expenditures</u>	
Solid Waste Collection Expenditures	\$ 522,065
 Total Expenditures	 \$ 522,065

**CITY OF WIXOM
RESOLUTION 2017-32
FISCAL YEAR 2017-2018 SPECIAL HOLDING AGENCY FUND BUDGET**

<u>Revenues</u>	<u>Appropriation</u>
Special Holding Agency Fund Revenues	\$ 310,900
Appropriation from Fund Balance	<u>\$ 0</u>
 Total Revenues	 <u>\$ 310,900</u>
 <u>Expenditures</u>	
Special Holding Agency Fund Expenditures	<u>\$ 306,400</u>
 Total Expenditures	 <u>\$ 306,400</u>
 Excess Revenues over Expenditures	 <u>\$ 4,500</u>

**CITY OF WIXOM
RESOLUTION 2017-33
FISCAL YEAR 2017-2018 CEMETERY FUND BUDGET**

<u>Revenues</u>	<u>Appropriation</u>
Interest Income	\$ 300
Sale of Grave Lots	\$ 5,000
Appropriation from Fund Balance	<u>\$ 5,819</u>
 Total Revenues	 <u>\$ 11,119</u>
 <u>Expenditures</u>	
Audit	\$ 319
Operating Expenditures	\$ 500
Grave Site Purchase	\$ 300
Landscape & Maintenance	<u>\$ 10,000</u>
 Total Expenditures	 <u>\$ 11,119</u>

**CITY OF WIXOM
RESOLUTION 2017-34
FISCAL YEAR 2017-2018 WATER UTILITY SYSTEM MILLAGE RATE**

WHEREAS on the electors of the City of Wixom voted to borrow the principal sum of eighteen million five hundred thousand dollars (\$18,500,000) and issued general obligation unlimited tax bonds to pay for the cost of Water Utility System.

NOW THEREFORE, BE IT RESOLVED that the Clerk of this City be and is hereby ordered and directed to certify to the Assessor of this City that the several amounts of appropriations herein determined and aggregate thereof (less the estimate of the amount of revenue from other sources) are to be raised by General Tax spread on Real and Personal Property. Taxable valuation as equalized for year 2017 of the property in the City of Wixom is \$681,484,650. Taxable valuation on Industrial Facilities Tax as equalized for year 2017 of the property in the City of Wixom is \$11,708,420. The Tax rate is tentatively determined to be 1.67000 per \$1,000 of Taxable Valuation as equalized.

**CITY OF WIXOM
RESOLUTION 2017-35
FISCAL YEAR 2017-2018 TRIBUTE DRAIN SPECIAL ASSESSMENT DISTRICT ROLL**

WHEREAS the City Council held a public hearing on January 11, 2005 regarding the establishment of the Village Center Area Assessment District to fund the construction, operation and maintenance of a new county drain; and

WHEREAS the City of Wixom entered into an agreement with Wixom Village, LLC and Wixom Village Commercial LLC to establish the Village Center Area Special Assessment District in accordance with Section 3.08.180 of the City of Wixom Municipal Code, which permits a special assessment district to be created by contract.

NOW, THEREFORE, BE IT RESOLVED that said total special assessment roll as prepared by the City Assessor in the amount of \$2,830,000, plus bond interest and maintenance costs, is known as Special Assessment Roll No. 04-001C. Said special assessment for FY 2017-2018 is in the amount of \$217,353 plus maintenance costs.

**CITY OF WIXOM
RESOLUTION 2017-36
FISCAL YEAR 2017-2018 CAPITAL IMPROVEMENT FUND BUDGET**

<u>Revenues</u>	<u>Appropriation</u>
Contribution General Fund	\$ 975,481
Interest Income	\$ 6,100
Appropriation from Fund Balance	<u>\$ 430,563</u>
 Total Revenues	 <u>\$ 1,412,144</u>
 <u>Expenditures</u>	
City Manager	\$ 0
Building	\$ 55,000
Finance	\$ 3,000
City Clerk	\$ 0
Facilities	\$ 150,600
Cultural Center	\$ 413,500
Fire	\$ 117,000
Police	\$ 188,200
DPW	\$ 205,000
Parks & Recreation	\$ 181,000
Cemetery	\$ 5,000
Debt Service	<u>\$ 93,844</u>
 Total Expenditures	 <u>\$ 1,412,144</u>

**CITY OF WIXOM
RESOLUTION 2017-37
FISCAL YEAR 2017-2018 WATER AND SEWER UTILITY RATES**

WHEREAS the City has established a Water Supply System ("Water System") and Sewer Service System, including a Wastewater Treatment Plant ("Sewer System") for the residents and businesses of the City of Wixom. By the terms of Wixom Municipal Code, Chapter 13.04, Water Supply System, and Chapter 13.08, Sewer Service System, and as required by State and Federal law, the City establishes rates and charges for services of the Water System and Sewer System in amounts sufficient to pay (i) the expenses of administration and the costs of operation and maintenance of the Water System or Sewer System; (ii) principal of and interest on all bonds secured by a lien on the net revenues of each System; and (iii) the cost of replacement, repairs and improvements

to the Water System or Sewer System, and all other requirements of each ordinance authorizing issuance of bonds secured by a lien on the net revenues of the Water System or Sewer System.

NOW THEREFORE BE IT RESOLVED AS FOLLOWS:

1. **Findings.** The City has investigated several methods of apportioning the cost of a Water System or Sewer System among users of each system in the City of Wixom. As part of that investigation, the City has considered academic texts, tables used by other communities in the State and in the United States, and has reviewed studies of water use and sewage flows of a variety of establishments to generate a unit factor which most closely approximates the actual use by each user of the Water System or Sewer System. The City Council finds that the following rates and fees, and the method of allocating those rates and fees to users of the Water System or Sewer System, are proportionate to the necessary costs of providing the service at the levels demanded by the users.

2. **Liens.** By section 21 of Act 94, Michigan Public Acts of 1933, as amended, and by the terms of Wixom Code Chapters 13.04 and 13.08, the rates and charges for services furnished by the Water System or Sewer System to residences or businesses located in the City of Wixom shall be liens on the property served. The City shall certify those rates and charges delinquent for six (6) months or more to the City tax assessing officer, who shall enter the amount of the delinquent rates and charges on the tax roll against the premises to which the service was rendered, and shall collect the rates and charges and enforce the lien in the same manner as provided for the collection of ad valorem property taxes assessed upon the same roll along with any applicable fees.

1. **Rates.** The following Water System rates and Sewer System rates set forth in chart on the next page are hereby approved and adopted, effective July 1, 2017.

WATER / WASTEWATER UTILITY RATES

Water Rates

Meter Size (inch)	Quarterly Customer Charge
5/8	\$ 30.75
3/4	30.75
1	32.75
1-1/2	128.20
2	170.20
3	216.20
4	317.00
6	381.00
8	441.00
10	635.60
Commodity Rate (per MCF) \$	
38.80	

Wastewater Rates

Meter Size (inch)	Quarterly Customer Charge
5/8	\$ 14.50
3/4	14.50
1	16.75
1-1/2	81.75
2	100.00
3	123.00
4	174.00
6	206.00

Commodity Rate (per MCF)	\$ 25.30
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<i>Sewer residential cap</i>	<i>\$101.54 Quarterly</i>
<i>Flat rate for residential sewer only customer</i>	<i>\$69.00 Quarterly</i>
<i>Flat rate for industrial sewer only customer</i>	<i>\$97.75 Quarterly</i>

**CITY OF WIXOM
RESOLUTION 2017-38
FISCAL YEAR 2017-2018 LOON LAKE LITTLE FARMS SANITARY SEWER EXTENSION
SPECIAL ASSESSMENT DISTRICT ROLL**

WHEREAS the City Council, at their Regular Council Meeting on January 27, 2015, was presented with an agreement to establish the Loon Lake Little Farms Sanitary Sewer Extension Special Assessment District to fund the construction of a Sanitary Sewer Extension to service the properties located at 1746, 1748, 1750 and 1800 North Wixom Road; and

WHEREAS the City Council authorized the City of Wixom to enter into an agreement with the homeowners Charles A. Phillipson & Patricia A. Thorensen (Husband & Wife), Dale J. Brantigan (a single man), Jonathan E. Tobias & Agnes E. Niedzwiecki-Tobias (Husband & Wife) and Kimberly Brooks Richardson Trustee of James & Barbara Robinson Irrevocable Trust ("Homeowners"), whose addresses are 1746, 1748, 1750 and 1800 North Wixom Road, Wixom, Michigan 48393, respectively, to establish the Loon Lake Little Farms Sanitary Sewer Extension Special Assessment District in accordance with Section 3.08.180 of the City of Wixom Municipal Code, which permits a special assessment district to be created by contract.

NOW, THEREFORE, BE IT RESOLVED that said total special assessment roll as prepared by the City Assessor in the amount of \$69,355, plus interest, is known as Special Assessment Roll No. 15-001C. Said special assessment for FY 2017-2018 is in the amount of \$3,467.75 plus interest.

Deputy Mayor Ziegler was in full support of this budget as it was worked out over the long meetings held last month. He said that he would stop by the Senior Center and fill in everyone. It would be nice if those rumors could calm down because, to his knowledge, there were no major changes that would take place to the Senior Center. He thanked Ms. Stamper and her staff for the late nights and hard work they put into the budget process and thought Ms. Stamper did a great job on the presentation tonight.

Councilmember Rzeknik said they had gone through some very long budget sessions and spent a lot of time going through each and every line item. He felt it was important to note that Ms. Stamper and the Finance Department did a fantastic job. He was pleased that they intended to go forward with a study to bond OPEB. He was in support of this budget.

Mayor Hinkley said that he was in support of the budget. One of the things that really hit home for him regarding the budget was a comment made by Deputy Mayor Ziegler. Deputy Mayor Ziegler said during one of the budget meetings that you may not always get what you want. Mayor Hinkley said there were items that every Councilmember was in favor or not in favor but if they tried to look at it from a percentage standpoint, it may give them a different perspective. For example, if an item was \$100,000 of a total budget of \$11 million, that would be 1% of the total budget. He reminded the public that if they had an issue or wanted to talk

about the budget, the time to do that was during the public Budget Study Sessions. He thanked the staff for doing a great job of presenting the budget to the City and Council. He hoped for a 100% support of the budget.

**Roll Call Vote: AYES (4) – Beagle, Hinkley, Rzeznik, Ziegler
NAY (2) - Gottschall, Smiley
ABSENT (1) - Kennedy**

Motion Carried

NEW BUSINESS:

1.) Recommendation to Adopt Community Development Block Grant Qualification Resolution for Years 2018, 2019, 2020

CM-05-77-17: Moved and seconded by Councilmembers Beagle and Rzeznik to adopt the following Community Development Block Grant Qualification Resolution for years 2018, 2019 and 2020:

**CITY OF WIXOM
RESOLUTION 2017-39**

**COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
OAKLAND COUNTY, MICHIGAN URBAN COUNTY QUALIFICATION RESOLUTION FOR YEARS
2018-2020**

WHEREAS, the City of Wixom finds benefit in cooperating and participating in Oakland County's Urban County Community Development Block Grant (CDBG) Programs; and

WHEREAS, the City executed an "Urban County" Cooperative Agreement with Oakland County in 1993 specifying the duties and requirements of both the City and County with respect to Community Development Block Grant and HOME Investment Partnership funds; and

WHEREAS, to continue to partner with Oakland County, the City must reaffirm and renew its Agreement with Oakland County, which shall be automatically renewed in successive three-year qualification periods of time, or until such time that it is in the best interest of the City of Wixom to terminate the Cooperative Agreement;

NOW THEREFORE BE IT RESOLVED, that the City of Wixom reaffirms its participation in Oakland County's Urban County Community Development Block Grant programs for the years 2018, 2019 and 2020; all in accordance with the Oakland County "Urban County" Cooperative Agreement.

Vote:

Motion Carried

2.) Consideration of the Introduction of an Ordinance for the City of Wixom to Amend Title 12, Streets, Sidewalks, and Public Places, by Adding a New Chapter 12.18, Michigan Air Line Trailway, and to Provide a Penalty for Violation Thereof

CM-05-78-17: Moved and seconded by Deputy Mayor Ziegler and Councilmember Beagle to approve the introduction of an ordinance for the City of Wixom to amend Title 12, Streets, Sidewalks, and Public Places, by adding a new Chapter 12.18, Michigan Air Line Trailway, and to provide a penalty for violation thereof.

Councilmember Rzeznik said with the world changing and motorized vehicles changing form, he thought they may need more clarity in the definition of motor vehicles at some point and suggested they keep an eye on that.

Mr. Goodlein agreed as the Michigan Motor Vehicle was a bit more specific. It defined a motor vehicle as a device propelled on wheels by a motor with a breaking horsepower of five or more. He thought that this seemed sufficient for now, but in the future, they would need to revisit this.

Vote:

Motion Carried

3.) Consideration of the Introduction of an Amendatory Ordinance to the City of Wixom Code of Ordinances to Amend Title 5, "Building Licenses and Regulations – Chapter 5.10" and to Replace it in its Entirety with Chapter 5.10, Articles I Through IV Through the Adoption of a New Ordinance Regarding Peddlers, Solicitors, and Canvassers and to Provide Penalties for Violations Therein

CM-05-79-17: Moved and seconded by Councilmembers Rzeznik and Gottschall to approve the introduction of an amendatory ordinance to the City of Wixom Code of Ordinances to amend Title 5, "Building Licenses and Regulations – Chapter 5.10" and to replace it, in its entirety, with Chapter 5.10, Articles I through IV, by the adoption of a new ordinance regarding peddlers, solicitors, and canvassers, and to provide penalties for violation therein.

Councilmember Rzeznik commented that the biggest resident complaint in the 20+ years he has lived in Wixom was when residents were approached by people trying to sell them something. He said that they were not aware that they could ask that person to show a license. He suggested the City place a notice in the City's newsletter that a license was required and residents could ask to view it.

Mr. Goodlein pointed out that the peddler was supposed wear their license on their person so the homeowner or resident could see that they were licensed.

Deputy Mayor Ziegler said that it could become frustrating when staff and attorneys had to put forth a lot of time once they caught wind of some changes that needed to be made from the Court or State that required them to re-write the entire ordinance.

Mr. Goodlein noted that an attorney in southeast Michigan was representing a political organization and filed a written letter and complaint with 40 local governments alleging they had denied protection of free speech by virtue of the fact that they required canvassers and solicitors to register. He thought that it was ironic because that was the very purpose among all these communities. It was never to infringe upon anybody's right to free speech as much as it was to protect people from being accosted. He agreed with the City Attorney that it was in the best interest of the City to simply change the Ordinance.

Vote:

Motion Carried

4.) Request to Approve a Construction Permit Fee Schedule Amendment in Accordance with Section 15.04.050 of the Wixom Code of Ordinances and to Adopt the Companion Authorizing Resolution

CM-05-80-17: Moved and seconded by Councilmembers Beagle and Gottschall to approve the proposed Construction Permit Fee Schedule in accordance with Section 15.04.050 of the Wixom Code of Ordinances and adopt the following Authorizing Resolution:

**CITY OF WIXOM RESOLUTION 2017-40
COUNTY OF OAKLAND, STATE OF MICHIGAN**

CONSTRUCTION PERMIT FEE SCHEDULE

WHEREAS, Section 15.04.050 of Chapter 15.04 of the City of Wixom Municipal Code grants authority to the Wixom City Council to set fees charged by the City for administration of the State Construction Code; and,

WHEREAS, City staff has conducted an analysis of the current Building Permit Fee Schedule, dated October 14, 2014 and determined that said Fee Schedule should be amended; and,

WHEREAS, utilizing information based on actual staff time involved, staff has prepared an amended Construction Permit Fee Schedule; and,

WHEREAS, the existing Construction Permit Fee Schedule will be modified to include additional fees for address changes and zoning letters to maintain Wixom's fees in the seventieth percentile of area communities.

NOW, THEREFORE, BE IT RESOLVED, that the Wixom City Council hereby approves the Construction Permit Fee Schedule with a date of May 23, 2017.

BE IT FURTHER RESOLVED that the Construction Permit Fee Schedule shall be effective immediately.

Vote:

Motion Carried

5.) Request for Approval of and Authorization for Participation in the Oakland County Building Officials Association Damage Assessment Mutual Aid Agreement

CM-05-81-17: Moved and seconded by Deputy Mayor Ziegler and Councilmember Rzesnik to authorize the following resolution and enter into the Oakland County Building Officials Association Damage Assessment Mutual Aid Agreement in its entirety:

Resolution 2017-41
City of Wixom
Oakland County, Michigan

WHEREAS, damage assessment is the evaluation of buildings and structures to determine the nature and extent of damage and the cost of repairs that are a result of a disaster or emergency; and

WHEREAS, Damage Assessment Services can be improved by cooperation between political subdivisions during times of public emergency or disaster ("Incidents"); and

WHEREAS, the Michigan Constitution of 1963, Article 7, § 28, and Urban Cooperation Act of 1967, Act No.7 of the Public Acts of 1967, Ex. Sess., being MCL 124.501 et.seq. (the "Act"), permit a political subdivision to exercise jointly with any other political subdivision any power, privilege or authority which such political subdivisions share in common and which each might exercise separately; and

WHEREAS, the Parties desire to enter into an interlocal agreement, pursuant to the Act, to further improve Damage Assessment Services; and

WHEREAS, each Party has the authority to execute this Agreement pursuant to resolution of its governing body; and

WHEREAS, the Michigan Constitution and the people of the State of Michigan have long recognized the value of cooperation by and among the state and its political subdivisions.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Wixom shall enter into the Oakland County Building Officials Association Damage Assessment Mutual Aid Agreement and the City Council authorizes its Mayor and Clerk to execute the Mutual Aid Agreement on behalf of the City of Wixom.

Deputy Ziegler asked if there was a reason why the City was the only community in Oakland County that had not already signed on. Mr. Goodlein was unsure why and felt that it was inconsistent with the philosophy they had with Public Safety. They had long enjoyed mutual aid agreements with the neighboring communities and Oakland County. He believed it was in the best interest of the City to have this agreement.

Vote:

Motion Carried

6.) Recommendation to Deny the Request from Burton-Katzman Group to Waive the Performance Guarantee Requirement for Property Development as Required by Title 19, Performance Guarantees, of the City of Wixom Code of Ordinances, as Provided for by §19.01.12 to the City's Same Code of Ordinances, and to Reduce the Required Amount of Performance Guarantee to No Less than 50% of the Cost of this Development's Infrastructure as Determined by the City's Engineering Consultants

CM-05-82-17: Moved and seconded by Councilmember Smiley and Deputy Mayor Ziegler to deny the request from Burton-Katzman Group to waive the performance guarantee requirement for property development as required by Title 19, Performance Guarantees, of the City of Wixom Code of Ordinances and as provided for by §19.01.12 to the City's Same Code of Ordinances, and to reduce the required amount of performance guarantee to no less than 50% of the cost of this development's infrastructure as determined by the City's engineering consultants.

Mr. Goodlein introduced Mr. Conrad Schewe from the Burton-Katzman Group. Mr. Schewe, 30100 Telegraph Road, Bingham Farms, said Burton-Katzman LLC is the development entity behind BKG Beck LLC which is hoping to develop a project at 30303 Beck Road. They are also the developer of a building on Ryan Court, the future home of Tremec Transmissions. The general game plan of these projects is to build the buildings on a speculative basis. They get the building shell up and they have discovered that the automotive tenants need a short turnaround. They

get a program or a contract to build something and they have to be in very quickly. They built the building and they had about a seven month head start on the construction schedule. That is the game plan for the project on Beck Road. It was very successful for the first try so they are going to do that again.

During the Tremec project, Mr. Schewe commented that he developed a great relationship with City staff. There is a lot of problem solving that goes into this and he got a lot of help from everyone at the City. They got site plan approval on November 21, 2016 and they have been moving ahead with all of the engineering. He requested a final tally of all of the permit and other fees in addition to a \$1,637,000 invoice for performance guarantee. He was a bit surprised at that. He hadn't heard anything about that previously and he didn't hear about it when they went through the site plan approval process. It is about a \$6.5 million project to build the shell building. The design will add several million more dollars. In the context of the shell of the building, they probably need about \$2 million of equity, like a down payment when you buy a house; the rest is a loan. This performance guarantee translates dollar for dollar into more cash. It is not like you get a bond somewhere. To have that magnitude of an increase in the cost of cash that goes into one of these deals at the last minute is extremely difficult. The new ordinance was adopted January 24th and they were approved November 21st. Mr. Schewe said his first argument would be that they are grandfathered in. They got their approval prior to the ordinance adoption. The tenant needs to move into the building and the certificate of occupancy is an extremely important event allowing them to occupy that building. At that point, they will have \$15+ million invested into that building. His opinion was that the leverage the City needs is at that point in time. There is a huge amount of money invested. He thought the strongest and best guarantee is that certificate of occupancy because at that point they have an enormous investment. In their specific project, it is solely contained within private property. There are no public utilities. This is why they requested the waiver. He knew the agenda indicated the willingness to reduce it to 50% and that is appreciated, but this was not something they signed up for. If that ordinance had been on the books when they were looking at buying the property, they probably wouldn't have bought it because of the enormous impact on the amount of cash they would need upfront to do the project. For all those reasons, he respectfully requested a waiver and to use the certificate of occupancy as the ultimate guarantee.

Councilmember Rzeznik asked if this building was a spec building or if he was under contract from Tremec to build it for them. Mr. Schewe said that they built the Ryan Court building speculatively. They didn't have a tenant, but they knew in the automotive world they were on extremely fast turnarounds. They wanted to get the building up and it worked well with Tremec's timeline. They are employing the same strategy with the Beck Road project.

Councilmember Gottschall said Mr. Schewe mentioned the 50% threshold would be appreciated. Without saying zero, he wondered if there was a percentage that he would be comfortable. Mr. Schewe said as it relates to the public utilities, they have to pay a performance guarantee bond for that. There are already mechanisms in place for that type of work. He said they are not aware of any other municipalities that have a similar ordinance. It causes enormous problems on the

financial side. It changes the deal from using the \$2 million equity to now being \$2,550,000, which is way better than \$3,637,000. Councilmember Gottschall said he was empathetic to the grandfathering statement. He understood and could appreciate that when you are beginning the process and getting approval, and then a new rule change goes on the book that affects you. It is frustrating. The problem he had was strictly using the certificate of occupancy as a leverage tool. Mr. Schewe had said he had a lot of money into it. But if something were to go awry where you weren't able to get building violations, then you could go to court. You would be looking at damages because you would have a building and you wouldn't be issued a certificate of occupancy. It is difficult because you would have damages that you can prove. You've got the receipts for building the building. He understood what we were trying to do with the ordinance and the performance guarantee. He was empathetic to Mr. Schewe's cause and he wanted to get something worked out. If there was something between 50% and zero, he would be on board with that, but he doubted the Council would go for zero.

Mr. Goodlein stated he would regard the Burton-Katzman Group as a reputable and outstanding developer in southeastern Michigan. Also, the ordinance is designed to protect the City from people who perhaps have not been successful in developing and could be in a situation where they might not finish a project. There might be health safety violations or problems with infrastructure that the City might have to complete. The problem is that once we pass an ordinance, we can't selectively apply that ordinance to the good guys and the bad guys. It has to apply to everyone. With that being said, Mr. Goodlein thought the issue the Burton-Katzman Group has raised is one that is important for consideration. It is also important for staff to reconsider. In his discussions with the city attorney concerning this, they came up with 150% mainly because of some experiences that we have had in the City with other developers. We had problems where they didn't finish roads, they didn't finish buildings and it created a hazard to people who would be in the near proximity. The City had to make it safe again. He and Mr. Brown contacted other communities around Oakland County and they found that Auburn Hills did not have any type of a performance guarantee requirement. However, they found that every other community that they talked to, which were all Main Street communities, did. They found out that they were anywhere from 50% to 125% of the infrastructure. Eight or nine communities were contacted and he didn't think that was a sufficient number for us to decide if we were going to change the ordinance. He thought it was sufficient for the recommendation that was put in to the report that was delivered to City Council. Until Mr. Schewe told him that they would have to come up with another \$1.5 million, he didn't understand the significance of 150%. He thought the City always struggled to find the sweet spot between protecting itself and never trying to discourage any development in the City. Staff will go back and examine this topic to be sure that where the ordinance is is the sweet spot. He suspected it may not be and we may have to change that. Mr. Goodlein didn't think the cost of a 50% performance guarantee of the infrastructure was excessive. Orion Township requires 50% of the cost of the infrastructure. The developer will get that returned if he completes the infrastructure before he completes the building. Another item he felt he was naive on was that he thought it would be an easy task for developers to begin the infrastructure and not begin putting the building together. After he talked to the Building Official and others in the building trades, he didn't think that most building

sites are put together that way. He thought developers like Mr. Schewe have done this a million times before and they try to do the infrastructure concurrent with the building for the purpose of trying to get the whole thing completed as soon as possible. He noted that all of those factors figured in to the recommendation he made. The ordinance states, "Unless the building official determines otherwise for good cause and because of peculiar practical difficulties establishing an applicant's inability to comply with the requirements hereof, this chapter shall apply to all property and development for which an initial permit has not been issued." That would be this project. He thought the ordinance would say he would have to post the performance guarantee of 150%. He thought the fact that Mr. Schewe began the process before the ordinance passed, because of the reputation of the company, and because staff is now struggling with where that sweet spot should be relative to what the amount of the performance guarantee should be, it does merit consideration by City Council of a reduction of the performance guarantee of no less than 50% of the cost of the infrastructure for that project.

Mr. Schewe stated that infrastructure is a broad term and can vary a bit. The ordinance is for infrastructure which includes sewer and water, but also landscaping and pavement. In this case, it is about \$1.1 million of the project costs and the utilities are about \$400,000. The ordinance says, "In the event there is simultaneous construction of infrastructure and site improvements, no building permit shall be issued until all of the infrastructure improvements have been completed, inspected and approved by the City." These include the pavement and the landscaping. The way you build any of these large buildings is you do all of the clearing and grading first. You do the building foundation and then the site utilities like the underground water and sewer. Then the building gets done. As they are backing out of the site, they would pave it and do the landscaping. There are some impracticalities in the way this is written but he was sure we could work it out. He asked for clarification that they could simultaneously build the building and the site infrastructure. If he did what the ordinance stated, they would destroy all the pavement and landscaping while building the building.

Councilmember Gottschall thought the way it was written was either/or and what we would be amending was the 150% to maybe 50%. That would fulfill the concurrent section. So instead of 150% of all costs, you would have 50% strictly of infrastructure and you can be doing everything concurrently as you want to do. He wondered if that would work. Mr. Schewe said it was certainly not ideal. He noted that they already got approval from their bank and this isn't even accounted for.

Mayor Hinkley asked if this was a 100,000 square foot building and Mr. Schewe replied that it was 85,000 square feet. Mayor Hinkley assured him that we have turned down more companies wanting to move into Wixom in that size building and larger than we can count on our hands. The opportunity that exists for Burton-Katzman and other developers will continue to exist in this community. He really didn't think they were a small company. He checked them out and their resources and revenues are pretty significant. On the other hand, we have always had a reputation of attracting and doing what we can with our developers to help them get in quicker and at as low as possible cost. Whether the number was \$250,000 or \$500,000 or \$1.5 million, he thought they would squawk. He concurred with Councilmember Gottschall that there was probably a lower threshold that we could

reach some kind of agreement. He noted that we put this ordinance in for a reason. Council got a recommendation from the City Manager and staff on the 50% reduction. It isn't based on the total project; it is based on the infrastructure. So maybe that number isn't \$500,000.

Mr. Goodlein thought the extenuating circumstance here was, as Mr. Schewe said, their site plan was approved before the ordinance became effective. With the way the ordinance is written, they would have to comply. He thought the City had always been fair with developers and everybody else that it had conducted business with. He didn't know if that would be the fair thing to do. He thought the middle ground was 50% of the infrastructure. Now the discussion is the definition of infrastructure. When he thought of infrastructure and where the greatest liability would be relative to health and safety, he thought it was water connections, sewer connections and where the property curb cuts out to the road. He thought the City would want to be sure it would be able to take care of costs that might occur if that project failed. He thought 50% of those costs were reasonable in this situation. Staff will look at the amount and try to do some further consideration as to where this amount should be. He thought it was fair for the City and fair for Burton-Katzman. It also continued to send the message that the City was interested in promoting development within the community.

CM-05-82-17: Moved and seconded by Councilmembers Rzeznik and Smiley to table this to allow staff time to do some homework and report back at the next meeting.

Mr. Goodlein commented that the next Council meeting is in three weeks, on June 13, 2017. He didn't know how that would affect their timeline. He believed that they wanted to begin the project June 1st. Mr. Schewe said that they are all ready to go. They have a pre-construction meeting tentatively scheduled with the DPW for this Thursday because they were going to start clearing and grading June 1st. This all came up out of the blue.

Mayor Hinkley asked if it was safe to say there was a number he was expecting to pay with this type of situation. Mr. Schewe said that they funded a construction escrow inspection. The underground will have a performance guarantee. To answer his question, he said they were expecting to pay zero for this particular issue. He recognized this was an ordinance the City created. He suggested 25% of the \$1.1 million, which is \$275,000, as a performance guarantee and they will still post all of the other escrows. They would also want to do the building and the site concurrently like they typically do. They could agree to that and would appreciate the Council's consideration.

Mr. Goodlein said he would support this if Council was so inclined.

At this time, Councilmember Rzeznik withdrew his motion to table this matter.

Mayor Hinkley clarified that Mr. Schewe was agreeing to an amount of \$275,000, or 25%. Mr. Brown stated that he estimated the \$275,000 was the infrastructure cost. That would be 50% of that amount, not \$275,000. Mr. Schewe thought that was a good point. He didn't know what the infrastructure was out of that. The

total number for paving, landscaping, and site improvements was \$1.1 million. Mr. Brown said he was estimating the infrastructure costs at about \$500,000, so it would be in the \$275,000 neighborhood for the 50%. Mr. Goodlein asked if Mr. Schewe was saying he would be agreeable to posting \$275,000 and Mr. Schewe said that was correct. Mr. Goodlein thought it would be better to talk about this in terms of dollars than in terms of percentages.

Mayor Hinkley said he would like to hear from our Building Official, Mr. Smith, to make sure we were on point with some of these numbers. Mr. Smith thought \$275,000 was probably pretty close to about 25% of the site improvements. He reminded them that this was in addition to the escrow account that already has to be established. Also, this has to be cash or a letter of credit.

Councilmember Smiley and Deputy Mayor Ziegler withdrew the initial motion.

CM-05-82-17: Moved and seconded by Councilmember Rzeznik and Deputy Mayor Ziegler to reduce the required amount of the performance guarantee for Burton-Katzman Group to \$275,000 payable in cash or letter of credit.

Vote:

Motion Carried

Councilmember Smiley asked if we were still going to search for that sweet spot for future developments. Mr. Goodlein replied yes. This issue is not done. We will go back and do a comprehensive analysis of the communities to try to figure out where we need to be.

CALL TO THE PUBLIC:

Judy Evola, Director of Community Relations and Marketing with Walled Lake Schools, said that the Walled Lake Consolidated School District WLTV goal is to provide the students with an educational, exciting, hands-on and enriching experience that gives them a real-world look at all aspects of the broadcasting field. It is paramount for them also to continue to serve our communities by providing programming and any assistance needed to promote community happenings and events. Walled Lake Schools is very proud of the work the WLTV students have done with and on behalf of the City of Wixom. This year, they have taped and produced programs on the State of the City Address, the Tree Lighting, Founders Day, Forbidden Art Exhibit (students spent an entire Sunday afternoon working on that project), eight City Council meetings, and most importantly, the students and Mrs. Doppke produced the millage election video in the WLTV studio with Mayor Hinkley. Coming up on May 30th, the students have committed to tape the Michigan Airline Trailway Ribbon Cutting event. More than a year ago, she and the Walled Lake Western Principal Joe Bell attended the Wixom City Council meeting asking the Council to rescind their vote to leave WOCCCA. They did so and they were very grateful. The Walled Lake Schools have worked together very successfully to earn Wixom's trust and support. They did more than tape the board meetings. They helped the City of Wixom communicate a message of community support and pride. Walled Lake Schools is part of that message. They agreed to four Wixom shows slated to air in September, November, March and May. They surpassed this and they did six shows as well as the eight City Council meetings. They would like to continue the partnership and services with the City of Wixom.

They would agree to tape the events she mentioned including the use of the studio for events where appropriate. This is the most important part of the partnership where the City can really communicate what is happening in the City of Wixom. They also agreed to tape the eight Council meetings and some additional meetings, excluding December and May meetings, with a single wide-angle camera with one student. They agreed to accept the proposed fees of the taping of these additional meetings. They also agreed to train the Wixom IT staff to upload the meeting videos to YouTube. Mostly, they agreed to be a partner with the City of Wixom in these tapings. They so much wanted to partner with the City that if any of this was not agreeable, they would be happy to discuss how we can best work together. She thanked the City for continuing their commitment to WOCCCA, their commitment to Walled Lake TV, and the Walled Lake Schools students.

OATH OF OFFICE

At this time, the City Clerk administered the Oath of Office to the new City Manager, Steven M. Brown.

Mr. Brown thanked his wife Tracy, his stepson Scott, and his stepdaughter Alexa, for being here and for their support. He thanked the Mayor and Council for the opportunity to work with them as the next City Manager. Most of all, he thanked Clarence Goodlein for doing an outstanding job working with him for the last five weeks. He assisted and trained Mr. Brown and got him all ready to go to do an excellent job as the next City Manager. He found Mr. Goodlein to be a very gracious person, a fountain of knowledge, and he expressed a lot of patience with him, which had been required at times. He also appreciated all the support he had received from all of the staff at the City of Wixom. He looked forward to working with the Mayor, Council and staff to continue to do an excellent job for the City of Wixom in providing efficient, effective services to the people which is what we are going to be all about in the City of Wixom as we have been in the past. He thanked Clarence Goodlein once again for all of the excellent support and he thanked the Mayor and Council for being willing to make that extra financial investment. Not all communities do that and he thought it was a great idea. It will be very helpful to his tenure and very helpful to the City.

Mr. Goodlein indicated that Representative Kesto asked that the Mayor act on his behalf and present Mr. Brown with a Special Tribute from the Michigan Legislature concerning his appointment as City Manager.

Mayor Hinkley read the Special Tribute and presented it to Mr. Brown.

CITY MANAGER COMMENTS:

Mr. Goodlein extended his heartfelt congratulations and best wishes to Steve Brown as he begins his appointment as City Manager and service to the community. He is a good man and he will do a good job for this community.

He talked about the success of the Derby Day in the downtown area along with the 5 and 10k runs. There were 142 participants. That was outstanding for a first time run. Fifty-two percent of the people were Wixom residents. The revenue exceeded expenses by about \$2,200. He thought this would become an event that would be even more well-attended in the future.

This week we received a press release from RRRASOC. Those of us who have been around for a long time will remember that Wixom was one of the forming communities for RRRASOC (Resource Recovery and Recycling Authority of Southwest Oakland County). They received recognition from the Department of Environmental Quality concerning their education with the public. They received the Outstanding Education Award for their efforts and commitment to educate others about the needs and benefits of recycling through the implementation of RRRASOC's online recycling directory and mobile application. He thought it was just an example of the outstanding work that this organization does for the City, not only in taking the waste and recycling it to worthwhile products, but for their overall commitment to educate the public as to the benefits of recycling. He thought they did an outstanding job for the community.

Lastly, Mr. Goodlein asked that everyone join him this Memorial Day weekend and remember those heroes and patriots who gave their lives in defense of America, and its freedoms, liberties, and values. Since World War I, nearly 639,000 men and women have lost their lives in combat and the protection of all of us, and those who have come before us. If you can, please join him on Sunday, May 28th at 2 PM, at City Hall, for a memorial service honoring the memory of Marine Lance Corporal Justin M. Ellsworth. As you may know, Marine Lance Corporal Ellsworth was a Wixom resident who lost his life in defense of America, and its values and principles, on November 13, 2004. Marine Lance Corporal Ellsworth's sacrifice of his life for that of his comrades-in-arms was a demonstration of the patriotism, courage, unselfishness, and commitment that Americans hold most dear as core principles and values that unite this great nation, and each and every one of us despite differing opinions and beliefs.

Marine Lance Corporal Ellsworth, and those who preceded him in death, were true patriots whose demonstration of heroism bears remembering. They were men and women whom we should forever remember for their sacrifice that allows us each of us to enjoy the freedoms and liberties that we do every day.

Additionally, and although not having lost their lives in direct defense of America and other nations, it is also an appropriate time to pause and remember those who have lost their lives as victims of terrorism around the world. Let us all pause and remember the men and women in Manchester, England who lost their lives on Monday. These and those who preceded them in death as victims of terrorism, are patriots too for their relentless pursuit of normalcy and life in defiance of terroristic threats; despite the risks that we all face from religious fanatics, fascists, and anarchists. Never should we forget these civilian patriots and never should we forgive those responsible for their deaths.

In particular, we should never forget those who died during the World Trade Center terrorist attacks of September 11, 2001. Never should we forget the 3,000 innocent people who perished that day or the valor of the 343 firefighters and 60 police officers who died while trying to save them. Never should we forget the more than 2,000 children who were orphaned that day or the 50 pregnant wives who became widowed. Never should we forget the courage and unselfishness of the men and

women on Flight 93 that day and their self-sacrifice that prevented the loss of countless others in Washington, DC.

We should always remember that these occurrences, the heroism and courage of our military and civilian patriots, remind us of the most fundamental tenets of human existence and our core values of honor, courage, unselfishness and commitment to something other than ourselves. We should always remember that despite terrorists' efforts to destroy us and others around the world, their efforts will not prevail because of the courage and heroism of not only our militaries, but also that of everyday people who live their lives in defiance of terrorists and their efforts to change and end the exercise of liberty and freedom for political, emotional, or financial gain.

This Memorial Day weekend we should remember the importance of our great nation, America, and the value of unity over divisiveness. We should remember that Americans still hold dear the age-old verities of honor, duty, courage, self-sacrifice, and love, and despite everyday appearances, these principles have meaning and flourish in the hearts of our neighbors and the people that we work with every day.

So this weekend, as we think back of our military and civilian patriots, as well as those military and civilian patriots of other countries around the world, our sorrow over the loss of so many good people should be tempered by their goodness and their quintessential behavior that demonstrated what it means to be human. They have showed us the immutable value of duty, loyalty, self-sacrifice and love. They have showed us that our triumph over those who would deny us the right to our liberties and freedoms, as well as self-determination, can be affirmed by celebrating the legacy of those lost in military combat or as victims of terrorism - that is the value of honor, courage, kindness, and unselfishness. In this manner, those lost will never be forgotten, their goodness and valor will prevail and endure, and we will continue to be dauntless as we confront those who would deny us the ability to live free from fear, tyranny, and subjugation.

COUNCIL COMMENTS:

Councilmember Smiley congratulated Mr. Brown. He has big shoes to fill but he has the Council's full faith. He wished him the best of luck and said he looked forward to working with him. He also hoped people would take the time to honor our fallen military personnel this Memorial Day weekend. As Mr. Goodlein mentioned, we have a very nice memorial service scheduled for this Sunday. He hoped everyone had a safe Memorial Day.

Councilmember Gottschall said he hoped Ms. Evola's comments could be included in the next Council packet. Since this is Mr. Goodlein's final meeting, he thanked him for his many years of dedicated service to the City and he wished him the very best in his new life away from service to our community.

Councilmember Rzeznik welcomed Mr. Brown. Having served on the Wage and Salary Committee and going through that long process, he believed they tended to get a little closer to him because they do the interviews a couple of times. He said he was really looking forward to working with him and thought he would do fine. So long, Mr. Goodlein. He didn't think he was alone when he said Mr. Goodlein had been an extremely positive influence on him, his entire family, his adult children

who have set up stakes in this town (both as residential and with their businesses). He will miss his authoritaries from the heart on 4th of July, Memorial Day, Veterans Day, etc., similar to tonight's. He has seen seven grown men shed a tear and it is quite different than most communities. Also, he mentioned that the Concert Series begins soon. He asked Ms. Evola to announce at the schools that on June 8th, we have our graduating seniors' picnic. He recalled from 30 years ago, we would have 50-60 kids show up and it was great. Over the last five or six years, it had been dwindling. It was a great chance to recognize the graduating seniors of this community. The businesses pitch in and the Mayor does a wonderful job in recognizing these graduating seniors. Scholarships are given away. He thought it was important that people came back to that because it was a great way for the families to see their seniors get recognized. He understood that Director Yon really placed well (16th) in the Derby Day race. He congratulated him. Lastly, he expressed his wishes for a very memorable Memorial Day. Take time to recall either your loved ones' relatives or acquaintances that have laid down their life for our Country.

Councilmember Beagle reminded everyone that the Fire Department's 20th annual Camp 911, which will take place on July 24-28. It is a great camp for children. His daughter still knows how to put out kitchen fires. We have some workaversaries – Robin Sneeringer and Nancy Stalnecker from the Library; Sergeant Linda Fultz and Lieutenant Ron Moore from the Police Department. He congratulated Mr. Brown and said he was looking forward to working with him. He welcomed the Brown family to the Wixom family. Last but not least, he echoed Councilmember Rzeznik's comments to Mr. Goodlein. When he took over the City Manager job, he thought morale was at its lowest. There were outdated policies and the Council had been asking former city managers to do things. In the short time Mr. Goodlein had been the City Manager, he not only turned morale around, but he did everything the Council asked him to and more. He sent the City forward in a positive direction. He knew Mr. Brown had big shoes to fill, but he knew he would do it. He thanked Mr. Goodlein for everything he had done for the City and for being a part of our lives.

Deputy Mayor Ziegler mentioned he had the occasion to go to Founders Day. He gave Councilmember Beagle a lot of credit. He was the MC, but he was more than that. By the time it was over, he was wetter than he had ever seen any human being in his life. He did a marvelous job and he congratulated him. It was a good turnout even though it was rained out at the end. He encouraged everyone to take a look at the Gibson House. Now that the Historical Society was in there, they have really improved it. All of our CDBG monies are having positive results. He had mixed emotions about this evening. It is a celebration of sorts. We are greeting the new City Manager, Steve Brown. He looked forward to working with him and seeing him do the job that we know he will do for us. Those are good feelings, but the other part of it is Mr. Goodlein leaving and he was sad about it. He has known Mr. Goodlein for a long time. They've been through a lot together. He worked with Mr. Goodlein as a cop here in Wixom. They did a lot of things back then. On Council, he had worked with Mr. Goodlein as the Police Chief and the Director of Public Safety. He had always known he was a very thorough guy, a very smart guy. He knew that based on all the education he had, he would be a good City Manager when we chose him a few years ago. He knew the people here knew that all along.

When it really hit him was when he was taxed with doing the reference checks. His references were names that most of us would recognize as being officials at the County and other communities locally. He was blown away by their comments because he is beloved by a lot of people. He wished him the best of luck and said he was going to miss him.

Mayor Hinkley apologized for not being able to attend the last Council meeting. He was about 78% re-healed from a little dilemma he went through and he should be 100% in another week to ten days. He was not feeling 100% and he knew Councilmember Smiley was not 100%, but they were both here tonight, as well as his other fellow Councilmembers. Yet we have an empty chair and that bothered him. Councilmember Smiley was under the weather and he was surprised to see him here. He thanked him for coming tonight even though he still looked sick. He knew he was feeling terrible and he thanked him for coming on this important night, our budget night. Secondly, he also felt it was important to pass this budget tonight for a whole number of reasons. Being on this Council for 16 years and working through our budget, it has always been a challenge and there will be more challenges going forward. When our residents come forward and express their concerns, he thought that was very important and we don't take those lightly. It is the same with our business owners and developers. We are a fast, up-and-coming community. We are an older community but we are on the radar screen. We have a lot of good things happening and a lot of good things that have happened already. He thought a lot of what Councilmember Beagle said was true about where we were as a City and morale and the position the City was in about three years ago. Mr. Goodlein was the Director of Public Safety and he asked him to step in as an Interim City Manager until the Wage and Salary Committee could determine the interview process of candidates. He had said it in his State of the City Address, his credentials far exceed probably most other City Managers around the State, if not the Country, as far as his capabilities, input and knowledge. He has probably seen him more firsthand than his fellow Councilmembers because of the meetings he attended with him. The way he represents himself and the City has been a real treat for the Mayor. He knew that going forward Mr. Brown had some challenges ahead of him with our City. As his fellow Councilmembers have said, he had some big shoes to fill. It was not so much that he had big shoes to fill from judging him from previous City Managers; it was just that we are a growing community. He thought he found that out during the last five weeks. We are also a close community too. It was nice that his family was here and could see we are all in this together. He concurred with Deputy Mayor Ziegler that it was a celebration on both opportunities that we have a new City Manager and we are moving forward. Mr. Goodlein is moving on with his next phase of his life, which he hoped would be very rewarding. He wished him the very best and hoped his life continued to provide a lot of influence on a lot of people because he has done that here.

ADJOURNMENT:

The meeting was adjourned at 9:03 p.m.

Catherine Buck
City Clerk

Approved 6-13-2017
