

**MINUTES
ST. CLAIR SHORES CITY COUNCIL MEETING
July 19, 2021**

Regular Meeting of the City Council, held in the Council Chambers, located at 27600 Jefferson Avenue., St. Clair Shores, Michigan.

Present: Mayor Kip C. Walby, Council Members Peter Accica, John Caron, Ron Frederick, David Rubello, Candice Rusie and Chris Vitale

Also Present: City Manager Matthew Coppler, Assistant City Manager William Gambill, City Clerk Mary Kotowski, Directors Chris Rayes and Laura Stowell, Interim Police Chief Jason Allen and City Attorney Robert Ihrle

1. CALL TO ORDER, ROLL CALL AND PLEDGE OF ALLEGIANCE

Mayor Walby called the meeting to order at 7:00 p.m. Ms. Kotowski, City Clerk, called the roll, and a quorum was present. The Pledge of Allegiance was recited.

2. PROCLAMATIONS & PRESENTATIONS – EL CHARRO MEXICAN RESTAURANT 50th ANNIVERSARY

Mayor Walby presented the following proclamation to Jeff Martin:

**Proclamation In honor of their 50th Anniversary
EL CHARRO RESTAURANT**

WHEREAS, the Mayor and Council of the City of St. Clair Shores deem it fitting and proper to publicly recognize and express our pride and congratulations to **EL CHARRO RESTAURANT** on celebrating 50 years of business who, from the early days to the present, has served the City and surrounding communities well as a thriving part of the business community; and

WHEREAS, in 1971 Delia and her husband George "Marty" Martin, along with their four young children, were able to fulfill their dream by purchasing a restaurant on Utica Road in Fraser, Michigan, with the financial help of George's parents, George Sr. and Lila Martin, and over the ensuing years, they grew the business from a small one room restaurant with a seating capacity of less than 50 to a multi-location thriving restaurant where they have served over one million puffy tacos, a recipe handed down from Delia's parents, Rosalio and Consuelo Rendon; and

WHEREAS, Delia was the creative genius in the kitchen with her original Mexican cuisine and George manned the finances and, as the years showed, they were a good team as in 1980 they opened their second location in St. Clair Shores, Michigan, where our community welcomed them in every way and continues to show strong support every single day since then; and

WHEREAS, George grew up in a house on Glenbrook Street and graduated from Lake Shore High School, and he and Delia lived on Revere Street from 1966 to 1976 with their children who consider St. Clair Shores the city that raised them; and

WHEREAS, the Martin's **EL CHARRO RESTAURANT** has remained a family endeavor with their children Jeff and Lynn now running the business, sons Mark and Ed were also involved in the business for many years but recently left to pursue other interests; with the passing of George in 2005, the Martin family continues to follow his high moral standards by proudly supporting the hard working El Charro families and surrounding local communities, hiring students from Lake Shore, South Lake and Lakeview and fostering a community of customers who have become like family;

NOW, THEREFORE, BE IT RESOLVED, that the Mayor and Council of the City of St. Clair Shores, on behalf of all its citizens, extend our congratulations and best wishes to the **MARTIN FAMILY** and **EL CHARRO RESTAURANT** on the occasion of celebrating their 50th Anniversary and wish them many more years of continued success.

Presented this 19th day of July 2021.

3. AUDIENCE PARTICIPATION ON AGENDA ITEMS (2 MINUTE TIME LIMIT) - None

4. REQUEST FOR ADOPTION OF A RESOLUTION AUTHORIZING THE 2021 REFUNDING BONDS (LIMITED TAX GENERAL OBLIGATION) AND REFINANCING THE 2011 CAPITAL IMPROVEMENT BONDS FOR THE WATER SUPPLY SYSTEM AND ROAD PROJECTS

Background: The recommendation was to approve a resolution authorizing the issuance of refunding bonds in an amount not to exceed \$4,995,000 to refund prior 2011 Capital Improvement Bonds which were issued to finance the cost of: a) acquiring, constructing, furnishing and equipping improvements to the water supply system of the City; and b) acquiring, constructing, and reconstructing road and street improvements in the City and pay all issuance costs.

Finance has been working with our Financial Advisor Mike Gormley, Northland Public Finance, and our Bond Counsel, Patrick McGow, Miller Canfield, on reviewing opportunities for refunding prior bond insurances to save the City money on debt retirement costs. Our team was able to identify such an opportunity on bonds issued in 2011 for water line replacement and road reconstruction.

The original bond issued in 2011 was for \$8,500,000. The refunding of this bond will be for an amount not to exceed \$4,995,000, which includes the cost of the prior bond refunding and all issuance costs. In taking this action, it is estimated the City will be saving approximately \$330,000 in debt retirement costs.

Mr. Gormley explained that this will be done on a private placement basis. These bonds are callable in 2021.

Mr. McGow said approval of this resolution to authorize issuance is the only action required of City Council to move forward.

Moved by Council Member Frederick, and supported by Council Member Caron to approve a Resolution authorizing the issuance of Refunding Bonds in an amount not to exceed \$4,995,000 to refinance 2011 Capital Improvement Bonds which were issued to finance the cost of a) acquiring, constructing, furnishing and equipping improvements to the water supply system of the City; and b) acquiring, constructing, and reconstructing road and street improvements in the City and pay all issuance costs, as follows:

**R-2021-31
RESOLUTION AUTHORIZING ISSUANCE OF
2021 REFUNDING BONDS
(LIMITED TAX GENERAL OBLIGATION)
CITY OF ST. CLAIR SHORES
County of Macomb, State of Michigan**

WHEREAS, the City of St. Clair Shores, County of Macomb, Michigan (the "City") has previously issued its 2011 Capital Improvement Bonds (Limited Tax General Obligation), dated September 28, 2011 in the original principal amount of \$8,500,000 (the "Prior Bonds"), which were issued to finance the cost of a) acquiring, constructing, furnishing and equipping improvements to the water supply system of the City; and b) acquiring, constructing, and reconstructing road and street improvements in the City; and

WHEREAS, Act 34, Public Acts of Michigan, 2001, as amended ("Act 34"), authorizes the City to refund or advance refund all or any part of its outstanding securities; and

WHEREAS, the City has been advised that it may be able to accomplish a net savings of debt service costs by refunding all or a portion of the outstanding Prior Bonds (the portion of the Prior Bonds to be refunded are hereinafter referred to as the "Prior Bonds To Be Refunded") through the issuance of refunding bonds by the City; and

WHEREAS, the City desires to issue refunding bonds pursuant to Act 34, in an aggregate principal amount of not to exceed Four Million Nine Hundred Ninety-Five Thousand Dollars (\$4,995,000) for the purpose of paying all or part of the cost of refunding all or part of the Prior Bonds To Be Refunded in order to achieve interest cost savings for the benefit of the City and its taxpayers; and

WHEREAS, the City desires to solicit bids from financial institutions and negotiate the sale of the Bonds to a financial institution within the parameters established by this Resolution.

NOW, THEREFORE, BE IT RESOLVED THAT:

Item 4 (Cont'd):

1. **Authorization of Bonds; Bond Details.** Bonds of the City shall be issued in the aggregate principal amount of not to exceed Four Million Nine Hundred Ninety-Five Thousand Dollars (\$4,995,000), as finally determined upon sale thereof, to be designated 2021 REFUNDING BONDS (LIMITED TAX GENERAL OBLIGATION) (the "Bonds"), for the purpose of paying the cost of refunding the Prior Bonds To Be Refunded and issuance costs of the Bonds.

The Bonds shall consist of bonds registered as to principal and interest in the denomination of \$100,000 or multiples of \$1,000 in excess thereof not exceeding for each maturity the aggregate principal amount of that maturity, or alternatively, may consist of a single-instrument, non-convertible bond, as determined at the time of sale. The Bonds will be dated as of the date of delivery, or such other date as determined by the City Manager, Assistant City Manager or Finance Director (each, an "Authorized Officer"), and mature or be subject to mandatory redemption on November 1st in the years 2022 to 2031, inclusive, or such other dates and/or years as shall be determined at the time of sale and in the amounts as determined by an Authorized Officer. The Bonds shall bear interest at a rate or rates to be determined upon negotiated sale thereof, payable semi-annually on May 1 and November 1, first payable on May 1, 2022, or such date as determined by an Authorized Officer at the time of sale, provided that the interest rate per annum on the Bonds shall not exceed three and one-half percent (3.50%) per annum. The Bonds shall be sold at a price not less than 100% of their par value. The Bonds may be issued as serial or term bonds or both and may be subject to redemption prior to maturity as determined at the time of sale.

The record date of determination of registered owner for purposes of payment of interest as provided in this paragraph may be changed by the City to conform to market practice in the future. The principal of the Bonds shall be payable at the designated corporate trust office of a Michigan bank or trust company selected by an Authorized Officer at the time of sale to act as registrar and transfer agent for the Bonds (the "Transfer Agent"), provided that in the event that the Bonds are purchased by a single institutional investor the City may act as its own Transfer Agent.

Interest on the Bonds shall be paid by check drawn on the Transfer Agent mailed to the registered owner of the Bonds at the registered address, as shown on the registration books of the City maintained by the Transfer Agent. Interest shall be payable to the registered owner of record as of the fifteenth day of the month prior to the payment date for each interest payment. The date of determination of registered owner for purposes of payment of interest as provided in this paragraph may be changed by the City to conform to market practice in the future.

2. **Execution of Bonds; Book-Entry Only Form.** The Bonds shall be signed by the manual or facsimile signatures of the Mayor and the City Clerk and shall have the facsimile seal of the City printed on the Bonds. No Bond executed by facsimile signature shall be valid until authenticated by an authorized representative of the Transfer Agent. The Bonds shall be delivered to the Transfer Agent for authentication and be delivered by it to the purchaser in accordance with instructions from the City Treasurer upon payment of the purchase price for the Bonds in accordance with the offer therefor when accepted. Executed blank certificates for registration and issuance to transferees shall simultaneously, and from time to time thereafter as necessary, be delivered to the Transfer Agent for safekeeping.

The Bonds may be issued in book entry only form through the Depository Trust Company in New York, New York ("DTC") and the Authorized Officers are authorized to execute such custodial or other agreements with DTC as may be necessary to accomplish the issuance of the Bonds in book entry only form and to make such change in the Bond Form within the parameters of this Resolution as may be required to accomplish the foregoing.

Unless waived by any registered owner of Bonds to be redeemed, official notice of redemption shall be given by the Transfer Agent on behalf of the City. Such notice shall be dated and shall contain at a minimum the following information: original issue date; maturity dates; interest rates; CUSIP numbers, if any; certificate numbers (and in the case of partial redemption) the called amounts of each certificate; the redemption date; the redemption price or premium; the place where Bonds called for redemption are to be surrendered for payment; and that interest on Bonds or portions thereof called for redemption shall cease to accrue from and after the redemption date.

Item 4 (Cont'd):

In addition, further notice shall be given by the Transfer Agent in such manner as may be required or suggested by regulations or market practice at the applicable time, but no defect in such further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed herein.

3. **Transfer of Bonds.** The Transfer Agent shall keep the books of registration for this issue on behalf of the City. Any Bond may be transferred upon such registration books by the registered owner of record, in person or by the registered owner's duly authorized attorney, upon surrender of the Bond for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Transfer Agent. Whenever any Bond or Bonds shall be surrendered for transfer, the City shall execute and the Transfer Agent shall authenticate and deliver a new Bond or Bonds, for like aggregate principal amount. The Transfer Agent shall require the payment by the bondholder requesting the transfer of any tax or other governmental charge required to be paid with respect to the transfer.

4. **Security for Bonds; Limited Tax Pledge; Defeasance of Bonds.** The City hereby pledges its limited tax full faith and credit for the prompt payment of the principal and interest on the Bonds. The City shall, each year budget the amount of the debt service coming due in the next fiscal year on the principal of and interest on the Bonds and shall advance as a first budget obligation from its general funds available therefor, or, if necessary levy taxes upon all taxable property in the City subject to applicable constitutional, statutory and charter tax rate limitations, such sums as may be necessary to pay such debt service in said fiscal year. The City Treasurer is authorized and directed to open a separate fund with a bank or trust company designated by the City Council to be known as the 2021 REFUNDING BONDS (LIMITED TAX GENERAL OBLIGATION) DEBT RETIREMENT FUND (the "Debt Retirement Fund"), the moneys to be deposited into the Debt Retirement Fund to be specifically earmarked and used solely for the purpose of paying principal of and interest on the Bonds as they mature. Into said fund there shall be placed the accrued interest, if any, received at the time of delivery of the Bonds.

In the event cash or direct obligations of the United States or obligations the principal of and interest on which are guaranteed by the United States, or a combination thereof, the principal of and interest on which, without reinvestment, come due at times and in amounts sufficient to pay the principal of and interest on the Bonds when due, shall be deposited in trust, this Resolution shall be defeased and the owners of the Bonds shall have no further rights under this Resolution except to receive payment of the principal of and interest on the Bonds from the cash or securities deposited in trust and the interest and gains thereon and to transfer and exchange Bonds as provided herein.

5. **Issuance Fund; Escrow Account; Proceeds of Bond Sale.** Proceeds of the Bonds shall be used to pay the costs of issuance of the Bonds and to secure payment of the Prior Bonds To Be Refunded as provided in this paragraph. Upon receipt of the proceeds of sale of the Bonds, the accrued interest and premium, if any, shall be deposited in the Debt Retirement Fund for the Bonds. From the proceeds of the Bonds there shall next be set aside a sum sufficient to pay the costs of issuance of the Bonds in a fund designated 2021 REFUNDING BONDS (LIMITED TAX GENERAL OBLIGATION) BOND ISSUANCE FUND (the "Bond Issuance Fund"), which may be established by the City or an escrow agent. The moneys in the Bond Issuance Fund shall be used solely to pay the costs of issuance of the Bonds. Any amounts remaining in the Bond Issuance Fund after payment of issuance expenses shall be transferred to the Debt Retirement Fund for the Bonds.

The balance of the proceeds of the Bonds, together with other available funds of the City, if any, shall be deposited in an escrow fund (the "Escrow Fund") consisting of cash or cash and investments in direct obligations of or obligations the principal of and interest on where are unconditionally guaranteed by the United States of America or other obligations the principal of and interest on which are fully secured by the foregoing (the "Escrow Securities") and used to pay the principal of and interest on all or a portion of the Prior Bonds To be Refunded as determined by an Authorized Officer at the time of sale. The Escrow Fund shall be held by an escrow agent (the "Escrow Agent") pursuant to an escrow agreement (the "Escrow Agreement") which shall irrevocably direct the Escrow Agent to take all necessary steps to call the Prior Bonds To Be Refunded for redemption on the first date such Prior Bonds To Be Refunded may be called for redemption. Each Authorized Officer is authorized and directed to appoint an Escrow Agent and execute the Escrow Agreement on behalf of the City. The amounts held in the Escrow Fund shall be such that the cash and investments and income received thereon will be sufficient without reinvestment to pay the principal of

Item 4 (Cont'd):

and interest on the Prior Bonds To Be Refunded when due at maturity or call for redemption as required by this section. Each Authorized Officer is authorized and directed to purchase or cause to be purchased, Escrow Securities, including but not limited to, United States Treasury Obligations – State and Local Government Series (SLGS), in an amount sufficient to fund the Escrow Fund.

6. **Bond Form.** The Bonds shall be in substantially the following form with such changes as may be required to conform to the final terms of the Bonds established by the Sale Order:

UNITED STATES OF AMERICA
STATE OF MICHIGAN
COUNTY OF MACOMB
CITY OF ST. CLAIR SHORES
2021 REFUNDING BOND
(LIMITED TAX GENERAL OBLIGATION)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
	November 1, 20__	_____, 2021	

Registered Owner:

Principal Amount: Dollars

The City of St. Clair Shores, County of Macomb, State of Michigan (the “City”), acknowledges itself to owe and for value received hereby promises to pay to the Registered Owner specified above, or registered assigns, the Principal Amount specified above, in lawful money of the United States of America, on the Maturity Date specified above, unless prepaid prior thereto as hereinafter provided, with interest thereon (computed on the basis of a 360 day year consisting of twelve 30-day months) from the Date of Original Issue specified above or such later date to which interest has been paid, at the Interest Rate per annum specified above, payable on May 1, 2022 and semiannually thereafter. Principal of this bond is payable upon presentation and surrender of this bond at the designated corporate trust office of _____, Michigan, or such other transfer agent as the City may hereafter designate (the “Transfer Agent”) by notice mailed to the registered owner not less than sixty (60) days prior to an interest payment date. Interest on this bond is payable to the person or entity which is the registered owner of record as of the 15th day of the month preceding the interest payment date as shown on the registration books of the City kept by the Transfer Agent, by check or draft mailed by the Transfer Agent to the registered owner of record at the registered address.

This bond is [a single, fully-registered, non-convertible bond][one of a series of bonds] of even Date of Original Issue [in][aggregating] the principal sum of \$_____, issued pursuant to the provisions of Act 34, Public Acts of Michigan, 2001, as amended, and a resolution duly adopted by the City Council of the City for the purpose of paying all or part of the cost of refunding certain outstanding bonds of the City and paying the issuance costs of the bonds of this issue.

This bond, including the interest thereon, is payable as a first budget obligation from the general funds of the City, and the City is required, if necessary, to levy ad valorem taxes on all taxable property in the City for the payment thereof, subject to applicable constitutional, statutory and charter tax rate limitations. For prompt payment of this bond, both principal and interest, the full faith, credit and resources of the City are hereby irrevocably pledged.

[Insert term bond provisions, if applicable]

[Bonds of this issue are not subject to optional redemption prior to maturity.]

Bonds maturing in the years 20__ to 20__, inclusive, shall not be subject to redemption prior to maturity. Bonds or portions of bonds in multiples of \$5,000 maturing in the year 20__ and thereafter shall be

Item 4 (Cont'd):

subject to redemption prior to maturity, at the option of the City, in any order of maturity and by lot within any maturity, on any date on or after _____, 20__, at par and accrued interest to the date fixed for redemption.

In case less than the full amount of an outstanding bond is called for redemption, the Transfer Agent, upon presentation of the bond called for redemption, shall register, authenticate and deliver to the registered owner of record a new bond in the principal amount of the portion of the original bond not called for redemption.

Notice of redemption shall be given to the registered owner of any bond or portion thereof called for redemption by mailing of such notice not less than thirty (30) days prior to the date fixed for redemption to the registered address of the registered owner of record. A bond or portion thereof so called for redemption shall not bear interest after the date fixed for redemption provided funds are on hand with the Transfer Agent to redeem said bond or portion thereof.

This bond is transferable only upon the registration books of the City kept by the Transfer Agent by the registered owner of record in person, or by the registered owner's attorney duly authorized in writing. Upon the surrender of this bond together with a written instrument of transfer satisfactory to the Transfer Agent duly executed by the registered owner or the registered owner's attorney duly authorized in writing and upon the payment of the charges, if any, prescribed in the resolution authorizing this bond, a new registered bond or bonds in the same aggregate principal amount and of the same maturity shall be issued to the transferee in exchange therefor as provided in the resolution authorizing this bond. Neither the City nor the Transfer Agent shall be required to transfer or exchange this bond or portion of this bond either during the period of fifteen (15) days immediately preceding the date of the mailing of any notice of redemption or (except as to the unredeemed portion, if any, of this bond) after this bond or any portion of this bond has been selected for redemption.

It is hereby certified and recited that all acts, conditions and things required by law to be done, precedent to and in the issuance of this bond and the series of bonds of which this is one, exist and have been done and performed in regular and due form and time as required by law, and that the total indebtedness of the City, including this bond and the series of bonds of which this is one, does not exceed any constitutional, statutory or charter debt limitation.

This bond is not valid or obligatory for any purpose until the Transfer Agent's Certificate of Authentication on this bond has been executed by the Transfer Agent.

IN WITNESS WHEREOF, the City of St. Clair Shores, County of Macomb, State of Michigan, by its City Council, has caused this bond to be signed in the name of the City by the facsimile signatures of its Mayor and City Clerk and a facsimile of its corporate seal to be printed hereon, all as of the Date of Original Issue.

CITY OF ST. CLAIR SHORES
County of Macomb
State of Michigan

By: _____
Its Mayor

(SEAL)

By: _____
Its City Clerk

7. Negotiated Sale; Placement or Sale of Bonds. The City Council has considered the option of selling the Bonds through a competitive sale and a negotiated sale, and pursuant to the requirements of Act 34, based on the advice of its placement agent, determines that a negotiated sale of the Bonds will allow more flexibility in accessing the municipal bond market, and to price and sell the Bonds at the time that is

Item 4 (Cont'd):

expected to best achieve the most advantageous interest rates and costs to the City, and will provide the City with greater flexibility in structuring bond maturities and adjusting terms for the Bonds.

8. **Delegation to Authorized Officer; Sale Order.** The Authorized Officers are each hereby authorized to solicit proposals from and select a purchaser for the Bonds and to place the Bonds with the purchaser through a private placement. The Authorized Officers are each hereby authorized to execute a Sale Order specifying the final terms of the Bonds and take all other necessary actions required to effectuate the sale, issuance and delivery of the Bonds within the parameters authorized in this resolution.

9. **Adjustment of Bond Terms.** The Authorized Officers are each hereby authorized to adjust the final bond details as set forth herein to the extent necessary or convenient to complete the sale of the Bonds and in pursuance of the foregoing is each authorized to exercise the authority and make the determinations pursuant to Section 315(1)(d) of Act 34, including but not limited to determinations regarding interest rates, prices, discounts, maturities, principal amounts, denominations, date of issuance, interest payment dates, redemption rights and other matters within the parameters established by this Resolution; *provided* that the principal amount of Bonds issued shall not exceed the principal amount authorized in this Resolution, the interest rate per annum on the Bonds shall not exceed 3.50%, the Bonds shall be sold at a price not less than 100% of their par value, and the refunding of the Bonds To Be Refunded shall result in present value savings to the City.

10. **Tax Covenant; Qualified Tax-Exempt Obligations.** The City shall, to the extent permitted by law, take all actions within its control necessary to maintain the exclusion of the interest on each issue of the Bonds from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended (the "Code"), including, but not limited to, actions relating to any required rebate of arbitrage earnings and the expenditures and investment of Bond proceeds and moneys deemed to be Bond proceeds. The Bonds are hereby designated as "qualified tax-exempt obligations" for purposes of deduction of interest expense by financial institutions pursuant to Section 265(b)(3) of the Code.

11. **Bond Counsel.** The appointment of the law firm of Miller, Canfield, Paddock and Stone, P.L.C., as Bond Counsel for the Bonds is hereby confirmed, notwithstanding the periodic representation by Miller, Canfield, Paddock and Stone, P.L.C., in unrelated matters of the purchaser and other parties and potential parties to the issuance of the Bonds.

12. **Placement Agent.** Northland Securities, Inc. is retained as the placement agent to the City in connection with the issuance of the Bonds.

13. **Authorization of Other Actions.** The Authorized Officers are each authorized and directed to do all other acts, take all other necessary procedures, and make such filings with any parties, including the Michigan Department of Treasury, necessary or desirable to effectuate the sale, issuance and delivery of the Bonds.

14. **Rescission.** All resolutions and parts of resolutions insofar as they conflict with the provisions of this Resolution be and the same hereby are rescinded.

RESOLUTION DECLARED ADOPTED.

Mary Kotowski, City Clerk

I hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the City Council of the City of St. Clair Shores, County of Macomb, State of Michigan, at a regular meeting held on July 19, 2021, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, as amended, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

Mary Kotowski, City Clerk

Ayes: All – 7

5. REQUEST TO APPROVE SALE OF TAX FORECLOSURE PARCEL LOCATED AT 21821 EIGHT MILE ROAD

Background: The recommendation was to approve the sale of the vacant lot at 21821 Eight Mile Rd. (2019 Tax Foreclosure) in the amount of \$20,000.00. This property was acquired in July 2019 from the Macomb County Treasurer's Office, as part of the tax foreclosure program. The property was listed for sale 02/21/20. The parcel is a triangular shape lot and the buyer is proposing a unique design for the location.

Mr. Rayes gave a slide presentation. He noted that the brick requirement was relaxed because it is a unique house on an odd lot. He will confirm if the house meets the requirement that the garage front must be less than 50% of the width of the house face. If not, the wording will be stricken from the purchase agreement.

R-2021-30

Moved by Council Member Caron, and supported by Council Member Accica to approve the sale of the vacant lot at 21821 Eight Mile Road (2019 Tax Foreclosure) in the amount of \$20,000.00, as recommended by the City Manager.

Ayes: All – 7

6. BIDS/CONTRACTS/PURCHASE ORDERS

a. Approval of five year renewal of Intergovernmental Agreement for Information Technology Services (I.T. Services) between Oakland County and City of St. Clair Shores and CLEMIS

Background: The recommendation was to approve the Oakland County/CLEMIS Information Technology agreement and grant signatory permission to the City Manager. CLEMIS is the Police Department's LEIN service and records management vendor and is the conduit for other applications we use daily. This is a renewal of the existing I.T. agreement which was executed five years ago and continues our service. CLEMIS fees are addressed in the Police Department budget. The City Attorney, Mr. Ihrie, reviewed the agreement without concern.

R-2021-29

Moved by Council Member Rubello, and supported by Council Member Frederick to approve the renewal of the intergovernmental Agreement for Information Technology Services (I.T. Services) between Oakland County and CLEMIS and the City of St. Clair Shores and authorize the City Manager to execute the agreement, as recommended by the City Manager.

Ayes: All – 7

b. Request approval of 2-year contract for Excess Workers Comp coverage renewal

Background: The recommendation was to award the quote for excess workers compensation insurance to Midwest Employers Casualty Company (MECC) for two years with a self-insured retention (SIR) of \$600,000 for Police and Fire and \$500,000 for all other employees and an aggregate limit of \$5,000,000 as currently provided.

This contract is awarded based on an annual cost of \$63,955 per year for a total of \$127,910 over the next two fiscal years. This is a 15.5% increase over two years based on the current premium of \$55,350.

It has been the case for the past several years that there are only two firms active in this market in Michigan – Midwest Employers Casualty Company and Safety National Casualty Corporation. Our agent from IBEX reached out to both companies, and only Midwest provided a quote. Safety National declined to quote.

Ibex Insurance Agency provided the lone response and submitted the quote for Midwest Employers Casualty Company.

Moved by Council Member Accica, and supported by Council Member Caron that the recommendation of the City Manager to renew the Excess Workers Compensation Coverage with Midwest Employers Casualty Company (MECC) be approved for two years at an annual premium of \$63,955.

Ayes: All – 7

Item 6 (Cont'd):

- c. Request approval of Purchase Order for the annual maintenance from BS&A for Permit Application software, Cash Receipting software, Utility Billing software and Tax System software**

Background: The recommendation was to approve the BS&A annual support invoice in the amount of \$17,748.00.

BS&A is the software used for Tax, Assessing, Utility Billing, Cash Receipting, Building system and Miscellaneous Billing modules. This invoice is for the software support for the Cash Receipting, Utility Billing and Tax System as well as the new Permit Application program.

Moved by Council Member Frederick, and supported by Council Member Accica to approve payment of the Annual Service and Support maintenance contract to BS&A in the amount of \$17,748.00.

Ayes: All – 7

- d. Request for approval of Purchase Order with Managed Way for MPLS Services in the amount of \$52,176**

Background: The recommendation was to approve the purchase order to Managed Way in the amount of \$52,176 for MPLS (Network) services for Fiscal Year 2022. Amount to be paid will come from budget account #675.258.810.

In January of 2021, Mayor and Council approved a three-year contract with Managed Way to provide MPLS service (effectively the network that connects our buildings). There were a number of issues during the deployment, but the City finally was able to cut over to Managed Way in June of this year. The attached purchase order is for Fiscal Year 2022, with costs being paid out of budget account 675.258.810. This amount was factored into the FY 2022 Budget.

The monthly fee represented here is \$132 higher than what was on the bid tab. During the course of design and build for the MPLS network, it was discovered that we would need more bandwidth due to the reliance on cloud services (such as O365 and Munis SaaS). Originally, we believed 500M of service would be adequate, but following work with All Covered on looking at our needs, we were concerned there would be a bottleneck causing issues with our remote locations. The pricing we are using is for 1000M of bandwidth, which will more than cover our peak usage at the present time.

Moved by Council Member Frederick, and supported by Council Member Caron to approve the purchase order to Managed Way in the amount of \$52,176 for MPLS (Network) services for Fiscal Year 2022. Amount to be paid in full will come from budget account #675.258.810.

Ayes: All – 7

- e. Request to award the bid for the Civic Arena Entry Door Replacement (bids opened 7/13/21)**

Background: The recommendation was to approve the contract to KVM Door Systems, Inc. in the amount of \$26,448.00. This project is part of funding that has been provided due to COVID to replace existing doors at Civic Arena to a hands free bi-parting door system.

Mr. Rayes will provide Council with the warranty information and look into purchasing an extended warranty agreement if one is available. He had been asked to turn this item around quickly due to lead timing fears.

Mayor Walby noted he pushed this as he wanted to move it along.

Ms. Rusie asked if a bid bond was required. Mr. Rayes noted it was required, but Council has the right to waive that requirement. He also noted that section 5-02 was crossed off of the general conditions of the contract because it was not felt to be necessary.

Moved by Council Member Rubello, and supported by Council Member Caron to approve the contract to KVM Door Systems, Inc. in the amount of \$26,448.00, as recommended by the City Manager, conditional upon confirmation of an extended warranty.

Ayes: All – 7

7. **CONSENT AGENDA** – All items listed on the consent agenda are considered to be routine and will be enacted by one motion and approved by a vote of City Council. There will be no separate discussion of the items unless the Mayor and or a Council Member so requests, in which event the item will be removed from the general order of business and considered under the last item of the Consent Agenda.

Moved by Council Member Caron supported by Council Member Frederick to approve the Consent Agenda items a – i as follows:

a. **Bills**

July 8, 2021 \$5,583,461.99

Resolved to approve the release of checks in the amount of \$5,583,461.99 for services rendered, of the report that is 44 pages in length, and of the grand total amount of \$5,583,461.99, \$0 went to other taxing authorities.

b. **Fees**

Resolved that the following Fees be approved as presented:

Ihrie O'Brien	\$15,146.15
Shifman Fournier, PC	\$5,730.00

c. **Progress Payments**

Resolved that the following Progress Payments be approved as presented:

Safeway Transport, Inc.	\$33,807.74
Granite Inliner, LLC	\$27,874.80
D&D Water & Sewer	\$128,310.42
Pamar Enterprises, Inc.	\$294,967.58
Galui Construction	\$19,186.45
Pamar Enterprises, Inc.	\$605,353.57
D&D Water & Sewer	\$216,789.96

d. **Approval of Minutes**

Resolved that the following Minutes be approved as presented:

<u>Minutes</u>	<u>Meeting Date</u>
Council	April 19, 2021
Council	May 17, 2021
Council Workshop	May 29, 2021
Council	June 7, 2021
Council	June 21, 2021
Council Workshop	June 28, 2021

e. **Receive & File Boards, Commissions & Committee Minutes**

Resolved that the following minutes be received and filed:

<u>Minutes</u>	<u>Meeting Date</u>
Animal Care & Welfare Committee	October 13, 2019
Animal Care & Welfare Committee	January 13, 2020
Council Sub-Committee on Boards, Commissions and Committees	May 25, 2021
Fence Arbitration	May 19, 2021
General Employees' Pension Board	May 25, 2021
Library Board	May 20, 2021
Senior Advisory Committee	May 20, 2021
Waterfront Environmental Committee	May 18, 2021
Zoning Board of Appeals	June 3, 2021

f. **First Quarter budget amendment approved by Council at the Budget Adoption on June 7, 2021**

Resolved to approve the proposed FY 2022 Budget Amendment 22-01 as follows:

Item 7 (Cont'd):

Fund/ Dept.	Account	Description	Increase	Decrease
BUDGET AMENDMENT 22-01				
101	General Fund			
115	950.560	Beautification Committee	1,500	
115	950.585	Cool Cities - Community Garden	6,000	
Fbal	390.000	Fund Balance		7,500

To increase/create the budget for the above committees as approved at the June 7, 2021 City Council Meeting

- g. Request Approval of the investment policy – no changes**
Resolved to renew the proposed Investment Policy and the list of Authorized Financial Institutions.
- h. Request to authorize the City Attorney to pursue making the private portion of Van Street public**
Resolved to authorize the City Attorney to take the necessary steps to make the north side of Van Street to the Intersection of Koerber currently dedicated for private use, a public street.
- i. Recommendations from the Council Sub Committee on Boards, Commissions and Committees**
Resolved that the following recommendations be approved as presented:

1. Accept with Regret the following Resignations:

<u>Name</u>	<u>Commission</u>
Benjamin Demsky	Board of Review

2. Recommendations to Mayor and Council to appoint the following:

<u>Name</u>	<u>Commission</u>	<u>Term-End Date</u>
Chase Denman	Communications Commission <i>(Vacant seat of Bruce Tegtmeyer)</i>	09/30/2024
Gerard Skowronski	Building / Property Maintenance Board of Appeals <i>(Vacant seat of Ken Koch)</i>	06/01/2026
Gerard Skowronski	Fence Arbitration Committee <i>(Vacant seat of Ken Koch)</i>	06/02/2024
Ren Klimowicz	Cool City Committee (Alternate) <i>(Vacant seat of Karalynn Conger)</i>	05/06/2024

3. Recommendation to Mayor to reappoint the following:

<u>Name</u>	<u>Commission</u>	<u>Term-End Date</u>
Kyle Nicholson	SCS Memorial Day Parade Committee	12/31/2024
John McTaggart	Animal Ordinance Committee (Alt.)	02/04/2024
Carrie Sylvester	Animal Care & Welfare Committee	12/31/2024
Stan Simek	Communications Commission (Alt.)	06/03/2024
Kenneth Mattson	Charter Study Committee	09/05/2024
Amy Lockard	Cultural Committee	06/01/2024
Nancy Walton	Community Garden Committee	09/30/2024
Mark Moffitt	Building / Property Maintenance Board of Appeals	06/01/2026

Ayes: All – 7

8. UPDATES AND FOLLOW-UPS FROM COUNCIL MEETING

- **Commercial Parking Space Ordinance/Seasonal Outdoor Seating Requirements** – Ms. Koto responded by email with a possible way to revise this.
- **Location of Gas Meter near Fire Plug/24301 Harper** – The Fire Marshal checked this and said there are no issues.
- **Knee Wall/Zoning Board of Appeals Variance Requirement** – The City Attorney is working on this with Mr. Rayes.
- **City Tree/Travis Coffee Shop** – The tree has been trimmed.

Item 8 (Cont'd):

- **\$4,000 Budget Amendment/Veterans Memorial Park** – This was for memorial benches at the park.
- **District 7 Sidewalk Marking** – The district has been totally marked.
- **Timeline for Sidewalk Replacements** – We have sent letters to all residents with marked sidewalks. Mr. Rayes said there are a few residents who have not been notified yet.
- **GFL/Mixing of Recycling and Trash** – Mr. Babcock has been in contact with GFL regarding the mixing of trash and recycling in their trucks. GFL is working with their drivers to sort through this issue.
- **Bon Heur Home/Trash Blight** – This has been sent to Code Enforcement for inspection.
- **Damaged 7-11 Store Sign/11 Mile and Little Mack** – This sign has been replaced.
- **Gordon and Elba Overgrown Hedge Row** – This has been sent to Code Enforcement for inspection.
- **Cost to Restore Traffic Light/Jefferson and Lakeland** – The light is back on. It is currently on a time circuit. Mr. Rayes has been in contact with the county for information on the status of the light.
- **Plan Options/Golf Course Water Tower** – Hennessey has provided feedback on how to rebid this project. They are working on putting together the bid specifications.
- **10 Year Old Sewer Separation Study** – The study was given to Council. Hennessey has prepared a conceptual way to break this up and how to address it. The preliminary write up will be provided to Council.
- **Main Streets LED Lighting Project** – Mr. Rayes said DTE cannot do the project this year. They will provide us with a high-level cost and get us lined up for next year.
- **Program Sponsorship/Adirondack Chairs and Benches for Blossom Heath Pier Project** - Parks and Recreation is working on this.

Ms. Kotowski gave an update on the upcoming election.

Mayor Walby noted that the construction on Harper between 8 Mile and 9 Mile is nearly complete. We added \$150,000 in order to repair the whole intersection.

Mr. Rayes said they had a follow up meeting with the county, and there are complications because of the MDOT contract. However, the county will bid out additional work going from the intersection to the north, and they will put \$150,000 in addition to the original \$150,000.

Mayor Walby said Rosemary Street is in need of repair.

Mr. Coppler said the Blossom Heath Pier Project bid opening has been moved to July 27th because of the large addendum.

Mr. Rubello asked that administration investigate complaints from residents on Maple Street being flooded from the empty lot on Rosemary Street.

9. COMMENTS BY INDIVIDUAL COUNCIL MEMBERS

Council Member Vitale spoke about the poor coverage the C&G Sentinel provided regarding the home on St. Margaret.

He asked that Code Enforcement confiscate the racks that Dollar General has been storing outside.

Council Member Accica spoke about his son performing the Heimlich maneuver on a patron of a local restaurant which may have saved that person's life.

He said the fireworks were fantastic.

Council Member Rubello asked if all of the Verizon small cells have been installed.

Mr. Rayes said some permits are still going through the approval process. The major phase has been completed.

Mr. Rubello asked what can be done if someone disagrees with the markings on their sidewalk.

Mr. Rayes said they should call Community Development, and they will coordinate an inspection.

Mr. Rubello asked what the guidelines are regarding water from your property going on your neighbor's property.

Item 9 (Cont'd):

Mr. Rayes said the ordinance requires that you maintain drainage of the water on your property under normal circumstances.

Mr. Rubello asked for an update on the condition of Erben Street between Little Mack and Manhattan.

Mr. Rayes said Hennessey is working through the list. If there are potholes, they should be reported to the City.

Mr. Rubello asked what to do about overhead wires that are an eyesore.

Mr. Ihrie said the resident needs to figure out who the wires belong to starting with DTE. The City does not do this.

Mr. Rubello spoke about Cool City Committee events. They are working out the kinks with the Social District, but it was a huge success.

He announced the Monday night Chamber Music at Wahby Park.

He asked that the Beechwood baseball diamond drainage issues be investigated.

He recognized and thanked several people.

Council Member Rusie asked why some of the items on the BS&A software invoice were not billed on an annual basis.

Ms. Stowell explained that these items are new so the bill only covered half of the charge. They will be billed annually in the future.

Ms. Rusie spoke about Cultural Committee events.

Council Member Caron spoke about the two large rain events we had recently. He thanked both the Southeast Macomb Sanitary District (SEMSD) and the Public Works staff for their hard work during these events.

He spoke about events going on around the City.

He said that all the Beautification flower beds are looking great and thanked everyone who worked on them.

Council Member Frederick reminded everyone to vote in the election on August 3rd. He noted the Clerk's Office is open on Saturday, July 31st for balloting.

He spoke about Pallister Park and the hockey playscape at the Civic Arena.

He said that the Social District event caused businesses to have a record number of patrons.

He spoke about the City fireworks and made several Library announcements.

10. CITY MANAGER'S REPORT - None

11. AUDIENCE PARTICIPATION (5 MINUTE TIME LIMIT)

Christine Moroski, St. Clair Shores resident, spoke about the police response to an outdoor event held on June 24th at Assumption with very loud music which went until 9:45 p.m.

Gordie Kosch, Rochester resident, spoke about how the pandemic has affected their business at Blossom Heath Inn. He would like to honor the bookings he has through the year 2021.

James Kelly, St. Clair Shores resident, spoke about the event at Assumption on June 24th and parking issues on Rosedale Court associated with this type of event. He asked for a traffic/safety study to determine if an ambulance can safely get down his street with parking on both sides of north/south Rosedale Court.

12. MAYOR'S COMMENTS

Mayor Walby said the SEMSD staff worked hard and did a great job during the recent rain events.

He said the Social District event was wildly successful and the fireworks went well. He thanked everyone who participated in these events.

He reminded everyone about the Wednesday night concerts at Veterans Memorial Park.

13. REQUEST TO ENTER CLOSED SESSION AS PERMITTED BY STATE STATUTE MCLA 15.268 SECTIONS 8 (h) TO CONSIDER MATERIAL EXEMPT FROM DISCUSSION OR DISCLOSURE BY STATE OR FEDERAL STATUTE)

Moved by Council Member Frederick, supported by Council Member Rusie to enter Closed Session as permitted by State Statute MCLA 15.268, Section 8(h) to consider material exempt from discussion or disclosure by state or federal statute at 8:54 p.m.

Roll Call Vote
Ayes: All - 7

Moved by Council Member Frederick, supported by Council Member Caron to return to Open Session at 9:07 p.m.

Ayes: All – 7

14. ADJOURNMENT

Moved by Council Member Frederick, supported by Council Member Caron to adjourn at 9:27 p.m.

Ayes: All – 7

KIP C. WALBY, MAYOR

MARY A. KOTOWSKI, CITY CLERK

(THE PRECEDING MINUTES ARE A SYNOPSIS OF A CITY COUNCIL MEETING AND DO NOT REPRESENT A VERBATIM RECORD).