

**MINUTES
CITY COUNCIL MEETING
CITY OF ST. CLAIR SHORES
27600 JEFFERSON CIRCLE DRIVE
ST. CLAIR SHORES, MI 48081**

Monday, April 20, 2009

PRESENT:

Mayor
Council Members

Robert A. Hison
Matthew S. Ahearn
Ronald J. Frederick
Beverly McFadyen
Mark J. Moffitt
David J. Rubello
Kip C. Walby

ALSO PRESENT:

City Manager
City Clerk
City Attorney
Finance Director/Treasurer
Community Services Director
Communications Director
Recording Secretary

Kenneth R. Podolski
Mary A. Kotowski
Robert D. Ihrie
Tim Haney
Chris Rayes
Mary Jane D'Herde
Ayla Klein

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

Mayor Hison called the meeting to order at 7:01 p.m. Ms. Kotowski, City Clerk, called the roll with a quorum present. The Pledge of Allegiance was recited by those in attendance.

Mayor Hison stated that Agenda Item #7 was removed and will be rescheduled.

2. PROCLAMATIONS & PRESENTATIONS

a. Proclamation - Blessing of the Fleet June 6, 2009

Mayor Hison presented a Proclamation to Jefferson Yacht Club in honor of their annual Blessing of the Fleet. He congratulated the Jefferson Yacht Club on their 51st annual "Blessing of the Fleet Day" and commended the Jefferson Yacht Club on its continued effort to promote safety.

Commodore Bill Miller and Mr. Ted Shanahan accepted the Proclamation with gratitude. Mr. Miller explained that this is a centuries old tradition.

b. Activities Committee Presents the St. Clair Shores Summer's Activities Series

Mr. George Munger, Activities Committee Co-Chair, made the announcement that the 2009 St. Clair Shores fireworks are scheduled for June 26, 2009 at Veteran's Memorial Park. Because of the help of great sponsors, volunteers, and residents, the Activities Committee will be able to hold the fireworks event. The fireworks will be called, 2009 St. Clair Shores First State Bank Firework Extravaganza. The list of sponsors is: First State Bank, Anderson, Eckstein, and Westrick, Inc., Andiamo's Lakefront Restaurant, Bagnasco & Calcaterra Funeral Home, Bommarito's Michigan Italian Bakery, Fishbones, Fleetwood Collision, Gilbert's Lodge, Ihrie & O'Brien Law Firm, Italia Construction, Jack's Waterfront Restaurant, Kaul Funeral Home, L & G Concessions, Manzella's Market, Mastro's Ice Cream, Mercedes-Benz of St. Clair Shores, National Coney Island, Nino Salvaggio's International Marketplace, North Shore Apartments on the Nautical Mile, Plante & Moran, Ride Perfection Center, Roy O'Brien Ford, Service Floor Covering, Shores Inn, Shores Theatre, Simasko Law, Tiseo Bros., Village Market, Viviano Flower Shop, and Wide Open West.

The Activities Committee is scheduling a St. Clair Shores Idol Program. It will start now and the contestants will be narrowed down to 12 contestants. The residents will vote for the winner at the 2009 St. Clair Shores First State Bank Firework Extravaganza on June 26th at Veteran's Memorial Park.

b. Activities Committee Presents the St. Clair Shores Summer's Activities Series (Cont'd)

Some other events that will take place at Veteran's Memorial Park are: Concerts in the Park starting July 8th, and the War Re-enactments on July 25 and on July 26.

Mr. Bill Miller thanked the Activities Committee, the volunteers, City Council, City staff, and residents for their support. He addressed the fact that a resident was upset and questioned him about there not being fireworks this year. He hopes that this resident is now satisfied.

Ms. Maureen Antushevich, Activities Committee Co-Chair, thanked everyone for their efforts and support.

Mayor Hison commends the Activities Committee for all of their effort and hard work.

3. AUDIENCE PARTICIPATION ON AGENDA ITEMS (2 MINUTE TIME LIMIT)

There was none.

4. REQUEST FROM MICHIGAN PARKINSON FOUNDATION FOR WALKATHON AND 5-K RUN ON MAY 16, 2009 STARTING AT 11:00 AM AT SOUTH LAKE SCHOOLS ATHLETIC STADIUM. RUN TO PROCEED ON CITY SIDEWALKS FROM SOUTH LAKE ATHLETIC FIELD TO URSULINE TO 10 MILE TO LITTLE MACK TO HARPER TO 9 MILE TO GROVE STREET TO ELAINE TO THE BACK OF THE SCHOOL

Mr. Matthew Dishman, a volunteer for the Parkinson Foundation, said this is the 4th annual Walkathon that they are requesting to use the city sidewalks in St. Clair Shores. The Walkathon is on Saturday, May 16th. Registration is at 10:00 a.m. and the walk starts at 11:00 a.m. The number of participants has steadily increased every year and they are encouraging more people to join this year. He thanked St. Clair Shores and South Lake School Board for their support.

Ms. Ann Filippis, Michigan Parkinson Foundation Event Coordinator, thanked everyone for allowing them to use the sidewalks for this event. They received the information from the City stating that all participants must use the sidewalks and she confirmed they would run through City residential streets on the sidewalk. She will relay that information to the participants. She commends the members of the community for their continued support. There is online registration at www.parkinsonsmi.org for people who wish to participate.

Mayor Hison clarified that it is at the South Lake Athletic Field on Stadium Street for people that are interested in participating.

Motion by Frederick, seconded by McFadyen to approve the request from Michigan Parkinson Foundation to hold a Walkathon and 5k Run starting and ending at South Lake High School on May 16, 2009 beginning at 11:00 a.m. subject to participants agreeing to stay on the sidewalks and adhere to all laws and ordinances pertaining to pedestrians.

Ayes: All (7)

5. STEP I REQUEST FROM HUNTINGTON NATIONAL BANK FOR A TRANSFER OF MICHIGAN LIQUOR CONTROL COMMISSION OWNERSHIP ON A 2001 CLASS C LICENSED BUSINESS WITH DANCE PERMIT IN ESCROW AT 25225 E. JEFFERSON, FROM EPIC EVENTS, INC. (GOURMET HOUSE) (TABLED FROM 3/16/09) STEP II REQUEST FROM WALTCO LAND COMPANY TO TRANSFER OWNERSHIP OF 2008 CLASS C LICENSED BUSINESS WITH DANCE PERMIT, LOCATED IN ESCROW AT 25225 E. JEFFERSON, ST. CLAIR SHORES, MI 48081, MACOMB COUNTY, FROM HUNTINGTON NATIONAL BANK

Mr. Gary Miller, the Estate Representative of Mr. Oltersdorf, clarified that he is requesting the approval for the transfer of the license from Epic Events, Inc. to Huntington National Bank only and not Step II, the transfer from Huntington National Bank to Waltco Land Co. He asked Council to approve the transfer to Huntington National Bank so Waltco Land Co. can avoid a lawsuit with Huntington National Bank. Waltco Land Co. does not want to lose the license that is currently in escrow that expires on April 30, 2009. He is willing to enter into an agreement with the City to demolish the building, but right now is doing what the attorney advises him in order to protect the license. Waltco Land Co. has submitted a letter to the Michigan Liquor Control Commission on why Waltco Land Co. was not able to transfer the license sooner.

5. STEP I REQUEST FROM HUNTINGTON NATIONAL BANK FOR A TRANSFER OF MICHIGAN LIQUOR CONTROL COMMISSION OWNERSHIP (Cont'd)

Mayor Hison mentioned that this subject was on the Council Agenda of March 2, March 16, April 6, and this evening but has not been resolved yet. At the last Council meeting it was discussed that there would be an agreement between the City and Waltco Land Co. to demolish the building by August 1, 2009.

Mr. Ihrie stated that Council wanted to see a written agreement from Waltco Land Co. which included that the license not leave the City and a timeline on the building. He drafted an agreement and presented it to Mr. Rayes and Mr. Miller. Mr. Miller felt that he needed more time to speak with his attorney and that is why it was tabled until tonight's meeting.

Mr. Ihrie stated this is the first time that he discovered that Huntington National Bank and Waltco Land Co. are in a lawsuit. If the transfer is made to Huntington National Bank, the transfer is to an entity who is not requesting the transfer and the time in escrow will be reset. At this point there still is no agreement to take the building down and the leverage of the City to resolve this blighted location is gone.

Mr. Miller said the transfer was not finalized when it came before Council 3 years ago because they would not have been able to obtain a certificate of occupancy.

Mr. Walby questioned what taxes Waltco Land Co. wanted assistance on. Mr. Walby brought it to the attention of Mr. Miller that he said that there was no value to the building and there would be a time that the building would be demolished, but now Mr. Miller is saying that the building still has value and is worth around \$1.5 million.

Mr. Ihrie said Mr. Miller indicated that since the property was worth zero or close to zero that they were asking for a tax abatement on the building which was not permitted by law. A request had previously been made that the building not be taxed. The building has been removed from the tax roll and it has been taxed as land and not as a building, which decreased the taxes by \$7,000.

Mr. Miller thinks that it is still a valuable piece of property, but in the last 2 years no one has wanted to purchase it. He thinks that someone can use the building, but it is unlikely. It most likely will be demolished.

Mr. Ahearn thinks the building has to come down by August, whether Waltco Land Co. agrees to do it or we do it.

Ms. McFadyen asked what the building is currently worth. She would like to see the building torn down and would like to see the license go back to the City.

Mr. Rayes said he cannot answer what the buildings exact worth is, but the asking price is somewhere around \$1 million as it stands with the liquor license.

Mr. Frederick asked Mr. Miller what happened from the last time he was before Council to this time. He said that the residents are getting tired of seeing this vacant location in disrepair. He asked Mr. Rayes if the building has been condemned.

Mr. Miller stated that the liquor license belongs to Waltco Land Co. and will not be transferred back to the City. He said the City is asking us to take down the building and offer us nothing in return. The cost to renovate it is most likely too costly and it would cost \$50,000 to demolish it.

Mr. Rayes said they have not proceeded with condemnation yet.

Mr. Ihrie said that in 2004 there was a request from Huntington National Bank for a transfer from Epic Events, Inc. and the same road block that existed 4 years ago exists today.

Motion by Walby, seconded by Ahearn to deny (Step I) the Request from Huntington Bank to transfer ownership on a 2001 Class C Licensed business with Dance Permit located in escrow at 25225 E. Jefferson, St. Clair Shores, MI 48081, Macomb County, from Epic Events, Inc. (Gourmet House) be considered for disapproval "*above all others*" and that it is the consensus of the legislative body that this application be not recommended for issuance.

Ayes: All (7)

6. REQUEST FROM THE CULTURAL COMMITTEE TO HOLD A FLEA MARKET FUNDRAISER AT THE VETERAN'S MEMORIAL PARK PARKING LOT ON SATURDAY, MAY 16, 2009 FROM 8:00 A.M. – 4:00 P.M. (RAIN DATE MAY 17, 2009)

Mr. Stan Simek requested that Council approve the Cultural Committee Flea Market in Veteran's Memorial Park parking lot. The proceeds from this event will be used to continue to provide St. Clair Shores with cultural activities.

Ms. Carla LaGodna stated they will be renting space for \$20. Registration forms can be picked up at the library. Information about the event will be on the library's website. There will be space for parking and designated space for the flea market.

Mayor Hison suggested that the Cultural Committee consider using Lake Shore's Kennedy School as a back up if parking does become a problem.

Mayor Hison stated that they had prepared their own hold harmless agreement to the City late this afternoon. Mr. Ihrie stated he reviewed it and it is fine.

Motion by McFadyen, seconded by Walby to approve the request from the Cultural Committee to hold a Flea Market Fundraiser at the Veteran's Memorial Park Parking Lot on Saturday, May 16, 2009 from 8:00 a.m. – 4:00 p.m. (rain date May 17, 2009); subject to having the participants complete the Hold Harmless agreement to be filed with the City Clerk prior to the event.

Ayes: All (7)

7. REQUEST FOR APPROVAL OF ACTIVITIES TO BE INCLUDED IN THE 2009/2010 COMMUNITY DEVELOPMENT BLOCK GRANT "ANNUAL ACTION PLAN" (TO BE RESCHEDULED)

This item was removed from the agenda.

8. BIDS/CONTRACTS/PURCHASE ORDERS – NONE

9. CONSENT AGENDA

Motion by Walby, seconded by Ahearn to approve the Consent Agenda items as presented, which include the following:

a. Bills

March 8, 2009	\$2,756,031.03
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To approve the release of checks in the amount of \$2,756,031.03, of the report that is 23 pages in length and of the grand total amount of \$2,756,031.03, \$418,868.92 went to other taxing authorities.

b. Fees

Ihrie & O'Brien	\$ 13,377.00
Roumell & Lange, PLC	\$ 7,741.34

To approve the above attorney payments to Ihrie & O'Brien and Roumell & Lange, PLC subject to audit.

c. Progress Payments

Galui Construction Company, Inc.	\$30,593.66
Galui Construction Company, Inc.	\$ 7,119.05
TR Pieprzak Company	\$91,031.01

To approve the above progress payments, subject to audit.

9. **CONSENT AGENDA (Cont'd)**

d. **Approval of Minutes**

To approve the following minutes:

City Council

April 6, 2009

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

To receive and file the following minutes:

Minutes

Communications Commission
Historical Commission
Water Resources and Advisory Board
Waterfront Advisory Committee
Zoning Board of Appeals
Beautification Commission
Beautification Commission
Communications Commission
Communications Commission
Cool City Committee
Parks and Recreation Commission
Parks and Recreation Commission
Planning Commission
Waterfront Advisory Committee

Meeting Date

February 11, 2009
March 3, 2009
March 3, 2009
February 17, 2009
February 5, 2009
November 12, 2008
March 11, 2009
December 10, 2008
March 11, 2009
February 11, 2009
February 12, 2009
March 12, 2009
March 10, 2009
March 24, 2009

f. **To receive and file the proposed Fiscal Year 2009 – 2010 Budget.**

Ayes: All (7)

10. **UPDATES AND FOLLOW-UPS FROM COUNCIL MEETING**

- **PCB Updates** – Mr. Podolski said the City is working with the contractor. We are hoping to start pumping again soon. The pump has a number of filters and is ongoing. Hopefully we will see action in the next month or so.
- **PEG Updates** – Ms. D'Herde said the community bulletin board is temporarily out of service, but is not affecting any of our scheduled programs.
- **Harper Street Scape Project** - Mayor Hison mentioned this project on Harper Ave. at 8 Mile Rd., 11 Mile Rd., and 14 Mile Rd. intersections will start tomorrow.

Mr. Rayes said the crews have set up to start working. They will close the 3 inside lanes at one time preventing left hand turns while the concrete cures.

- **Budget Hearings** – Mayor Hison mentioned the Budget Hearings are Wednesday, April 22 and Thursday, April 23, 2009 starting at 6:00 p.m. The meetings are open to the public and will be broadcasted on Comcast and on Wide Open West.

11. **COMMENTS BY INDIVIDUAL COUNCILPERSONS**

Council Member Moffitt – said that he is happy about the 2009 St. Clair Shores First State Bank Firework Extravaganza. He is concerned about the budget and how we are giving raises to City employees that make \$80,000 to \$100,000. He thinks the City workers are doing a good job and thinks that it would be in good faith for pay freezes.

Council Member McFadyen – mentioned the pancake breakfasts on Mother's Day and on Father's Day at the VFW hall from 9:00 a.m. until 1:00 p.m. She is happy about the fireworks event.

11. COMMENTS BY INDIVIDUAL COUNCILPERSONS (Cont'd)

Council Member Rubello – said Beautification Commission is looking for Spring planting volunteers. He asked Mr. Rayes what residents should do if they have questions concerning the sidewalks. He mentioned that the sign is down at Little Mack and Harper.

Mr. Rayes said that residents can call the Community Development Department for questions about the sidewalks.

Council Member Frederick – asked when we start patching the potholes in the streets. Mayor Hison said that we are patching streets on request.

Mr. Frederick mentioned all the businesses that are contributing to the 2009 St. Clair Shores First State Bank Firework Extravaganza. He thanked Mayor Hison, Mr. Ahearn, Mr. Podolski, Mr. Haney, Ms. Pam Bruce, Ms. D'Herde, Mr. Esler, Mr. Wahby, The Macomb Daily, C & G Newspaper, and personally thanked the hardworking Activities Committee.

Mr. Frederick said he hopes that Council will approve the equipment for AT & T which would allow the Communications Department to air the government access stations.

Council Member Walby – commended the Activities Committee. He was very pleased that 30 local businesses support the Activities Committee for the 2009 St. Clair Shores First State Bank Firework Extravaganza and asked for a listing of the businesses and their contribution amounts.

Mr. Walby thanked Mr. Podolski for putting the ambulance for sale on the internet and was glad that we were able to sell the ambulance. He asked that we have a policy put in place where in the future we will put equipment that we need to sell on the internet.

Mr. Podolski said that we don't have a policy in place, but we will definitely continue to use the internet when we need to sell equipment.

Mr. Walby said that Honeywell does our heating and cooling and the contract is up. He asked if we are working with Honeywell on a new contract or are we bidding this service out.

Mr. Podolski said we had an independent consultant do an analysis concerning heating and cooling that would be presented to Council soon.

Mr. Walby said that water meters were put in 25,000 homes already. We are bonding one-third of the money which is \$1.6 million, but we still don't know how we will come up with the difference. He requested that we figure out how we will pay for the difference.

Mr. Podolski stated we cannot go forward with the bond right now because it is too risky at this present time.

Council Member Ahearn – commended the Fire Department on the great job they did with the Easter egg hunt. He announced the Boat Show this weekend. He thinks that we should take down the Gourmet Manor building.

Mayor Hison passed.

12. CITY MANAGER'S REPORT – NONE

13. AUDIENCE PARTICIPATION

Bob Nelson, 22017 Shady Lane, invited the Mayor, Council, and residents to the Baseball Opening Day Ceremonies which will be held at Kyte Monroe on May 3rd at 1:00 p.m.

Mona Gualtieri, 126 Windwood Pointe, said she received a notice from the Planning Commission concerning Harbor 9 Marine requesting to have a used car lot on their property in the Nautical Mile. Harbor Place residents are upset and don't want a used car lot on the Nautical Mile. She came before Council now to let them know that she has collected letters from residents who are opposed to the used car lot moving there. She read two of the letters from residents. She stated that Harbor Place and Riviera bring in approximately \$23,000 in tax revenue and explained that the residents have chosen to live there because of the nice area and having a used car lot would take that away.

13. AUDIENCE PARTICIPATION (Cont'd)

Timothy Focht, 33525 Jefferson, said that he requested having a garage built on his property and the Community Development Department notified him that he cannot have a garage built. He asked why he is not allowed to put up a garage on his own property. He asked why we are not getting grant money to have more bike paths in the City.

Mr. Podolski responded that enough revenue must be obtained in order to self start a program and then the Parks and Recreation Department will help with funding the program.

Peter Lovric, 22029 Raymond, he complained about the violations at the abandoned home next to him. He was directed to leave his contact information and staff would follow through on this matter.

Bryan Mazey, Lac St. Clair Kiwanis Club, gave an update on their upcoming events. He stated they have received enough donations that they would present to Parks and Recreation at the next meeting for a disc golf program.

Bill Laus, 25703 Ursuline, asked how a name of a St. Clair Shores Classmate could be added to the Veteran's Monument when it is repaired. He was informed to contact Parks and Recreation. It was also suggested that information be put on the Local Matters on how to add a name.

Ronald Davis, 19536 Avalon, expressed his displeasure with Waste Management Services and asked Council to make them follow the contract correctly.

14. ADJOURNMENT

Motion by McFadyen, seconded by Frederick to adjourn the meeting at 9:17 p.m.

Ayes: All (7)

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

ROBERT A HISON, MAYOR

MARY A. KOTOWSKI, CITY CLERK