

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

Monday, June 15, 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  
Recording Secretary

Kenneth R. Podolski  
Mary A. Kotowski  
Robert D. Ihrle  
Tim Haney  
Chris Rayes  
Carole Ciamillo

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

Mayor Hison called the meeting to order at 7:00 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 thanked Councilmember Ahearn for chairing the last meeting in his absence.

**2. PROCLAMATION – NAN SCHMELZER**

Mayor Hison presented Nan Schmelzer with a proclamation recognizing the many contributions she has made to St. Clair Shores, and thanking her for the many years of service she has dedicated to our City.

Ms. Schmelzer thanked George Munger, Sr. and Bob Conley, Sr. and Bill Miller, who she feels deserve an award also.

Councilmember Ahearn stated that Nan Schmelzer is the person who got him interested in being involved in City events and thanked her for all she has done for the City.

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

Richard Swanquist, 21815 Bon Brae, referred to Agenda Item #9. He would like Council to continue to have this agenda item, as it gives residents a chance to express concerns about upcoming items. In addition, Mr. Swanquist stated that the budget package for this meeting was not online as of 3:00 p.m. today.

Jack Tallerico, 22930 9 Mile, referred to Agenda Item #10d. He stated his office has been at this address for over 25 years, and he employs 75 people. He further stated that Arthur J. Gallagher is a special municipal risk management company for many cities. He feels this bid process exceeded all boundaries of protocol, as there is a savings of \$165,000 in his bid package, and he doesn't understand why his company wasn't chosen. Mr. Tallerico requested Mayor and Council to reevaluate the bids for the two companies.

Peter Rubino, 22016 Shady Lane, referred to Agenda Item #9. Mr. Rubino stated he would also like Council to continue to have this agenda item.

**4. REQUEST FROM THE SHOREWOOD KIWANIS TO HOLD CLASSICAL CONCERTS IN WAHBY PARK JULY 6, 2009 THROUGH AUGUST 17, 2009, FROM 7:00 P.M. TO 8:00 P.M.**

Thomas Ulrich, 22000 Ursuline, Shorewood Kiwanis, explained that this is a first time request for this event. The concerts will be held once a week on Monday's for 8 weeks, with a rain day of Tuesday. They are celebrating their 50<sup>th</sup> anniversary this year, and will hold a series of concerts in Wahby Memorial Park on Monday of each week beginning in July and ending in August for 8 weeks. Admission is free.

**Motion by Rubello, seconded by Walby to approve the request from the St. Clair Shores Kiwanis to hold Classical Concerts in Wahby Memorial Park each Monday from July 6, 2009 through August 17, 2009 (for 8 weeks), from 7:00 p.m. to 8:00 p.m., with a rain day of Tuesday (except for August 4), subject to naming the City as Additional Insured on Liability Insurance.**

Ayes: All - 7

**5. REQUEST FROM THE GIVE A GIFT FOUNDATION TO HOLD A HELPING HANDS GARAGE SALE ON JUNE 20 – 21, 2009 FROM 9 A.M. TO 5 P.M. AT 27113 HARPER TO BENEFIT CANCER PATIENTS**

Suzanne Freewald, 27113 Harper, The Food Pantry, explained that this event is being held to help raise funds for cancer patients. The Give a Gift Foundation is currently in the process of becoming recognized as a non-profit organization by the State.

Ms. Freewald stated that the Give a Gift Foundation helps people who cannot afford medication. The Food Pantry helps anyone in need of food. They are located on the corner of Centennial and Harper. In addition, the group will do home pickups. Please call the Food Pantry at (586) 354-7911 or the Give a Gift Foundation at (586) 441-5054 for more information.

**Motion by Moffitt, seconded by McFadyen to approve the request from the Give a Gift Foundation to hold a Helping Hands Garage Sale on June 20 and 21, 2009, from 9:00 a.m. to 5:00 p.m., located at 27113 Harper.**

Ayes: All – 7

**6. REQUEST FROM ASSUMPTION GREEK ORTHODOX CHURCH AND CULTURAL CENTER TO HOLD GREEK FESTIVAL AUGUST 20 – 23, 2009 AT 21800 MARTER ROAD**

Olga Kardasish, Assumption Greek Orthodox Church, stated they have held this festival many years in the past. There will be food, entertainment, cultural displays, pastries, kiddie games, and more. In addition, they will hire their own security as they have done in the past.

**Motion by Walby, seconded by Moffitt to approve the request from Assumption Greek Orthodox Church and Cultural Center to hold their Greek Festival August 20-23, 2009, with the hours on Thursday from 6:00 p.m. to 11:00 p.m., Friday from 11:00 a.m. to 11:00 p.m., Saturday from 11:00 a.m. to Midnight, and Sunday from 11:00 a.m. to 9:00 p.m.**

Ayes: All – 7

**7. PROPOSED FISCAL YEAR 2009-2010 BUDGET AND MILLAGE RATES**

**a. Public Hearing on Proposed Budget and Millage Rates**

Mayor Hison opened the Public Hearing at 7:25 p.m.

Mr. Haney, Finance Director, explained that assessed values have been declining since 2007. It is projected that at the end of 2008 (budget year 2010) assessed values will be only 9% greater than taxable values. The continued decline in property values will reduce our revenues dramatically. He added millage rates will be decreasing due to lower taxable values.

Peter Rubino, 22016 Shady Lane, stated his concern is that we may have not been bullish enough in projections. He urged Council to eliminate all non-essential spending until we have a clearer picture. He added that the City had a 17% increase in spending in the budget this year.

**Public Hearing on Proposed Budget and Millage Rates (Cont'd)**

Erin Stahl, 21113 Avalon, stated the fund balances project a \$23 million deficit in 2014. She feels the Unions should start paying a portion of pensions and health care. Taxpayers are paying more than half of the operating budget in police and fire at this time.

Joe Backus, 21904 Grand Lake, stated that with the economy the way it is, the City should protect jobs as much as it can.

Mayor Hison closed the Public Hearing at 7:32 p.m.

**b. Set Millage rates for tax bills**

Council reviewed the following millage rates for adoption:

Operating	6.2987
Sanitation	2.3618
Police & Fire Pension	3.8085
Act 359 Publications	0.0261
Police & Fire Operating	1.5656
Voted Street	0.9830
Library	0.9244
General Obligation Debt	0.2599
SEMSD Clean Water Initiative	<u>2.0000</u>
Total Millage	18.2280

Council Member Walby stated he thought the SEMSD mill was going to be lowered. Mr. Haney replied the county has yet to come to the table on this. Mayor Hison stated the estimates are higher than the actual bill.

Mayor Hison asked Mr. Haney to explain the Police and Fire Millage. Mr. Haney stated the millage is based on Act 345 which voters voted in many years ago. We are no longer paying as we go

Councilmember Rubello asked what the City has done to cut costs. The City Manager replied that one of the things is that St. Clair Shores is the first community to change current employees' retirement programs.

Councilmember Rubello asked if we are looking at cutting any services. The City Manager replied that the current budget is set, but the next budget will have major cuts. There will be the possibility of turning off street lights and reviewing the Fire Department manpower.

Mayor Hison added that this year we put together a 10-year forecast budget. There will not be any cutting of services at this time. In recent years, 51 positions have been reduced due to attrition.

Councilmember McFadyen stated she has watched how Mike Smith, Human Resources Director, has worked with the Unions and brought down the cost of health care. She feels he is going a great job on saving the City money.

City Manager Podolski stated he appreciates Council's comments about Mike Smith, but Union leadership, along with Mr. Smith is what is working. Both sides have been cooperative.

**Motion by Frederick, seconded by McFadyen to adopt the millage rates for the fiscal year 2009-10, and set the property tax administration fee at 1% which reads as follows:**

<b>Operating</b>	<b>6.2987</b>
<b>Sanitation</b>	<b>2.3618</b>
<b>Police &amp; Fire Pension</b>	<b>3.8085</b>
<b>Act 359 Publications</b>	<b>0.0261</b>
<b>Police &amp; Fire Operating</b>	<b>1.5656</b>
<b>Voted Street</b>	<b>0.9830</b>
<b>Library</b>	<b>0.9244</b>
<b>General Obligation Debt</b>	<b>0.2599</b>
<b>SEMSD Clean Water Initiative</b>	<b><u>2.0000</u></b>
<b>Total Millage</b>	<b>18.2280</b>

Ayes: All – 7

c. **Adoption of 2009-2010 Budget and Ordinance amendments to Sewer Use and Rate Ordinance 25.060 Sec. 31-6 (A) (b, e); Water Rates Ordinance 25.260 Sec. 34-10 (d); and Storm Water Utility Ordinance 25.114 Sec. 4**

Finance Director Haney explained that based on the FY 2009-10 budget, there are changes to the water sanitary sewer and storm sewer ordinances. The Wastewater Flow Surcharge is a charge that is passed through from Detroit without markup. These charges are based on Detroit's estimate as they have not finalized the Wastewater Flow Surcharge rates. If the final rates vary substantially from the estimate, the ordinance might have to be amended during the year.

Councilmember Walby stated that the City's expenditures are greater than its revenue.

Finance Director Haney stated that the City has a structural deficit just like the State. We are spending more than we are taking in and using carryovers to balance the budget.

Mayor Hison commented that even though that is true, we are ahead of most other communities.

Council Member Frederick stated that as we go through the budget, we want to make sure we have some money available to work with the stimulus package.

Council Member Frederick added that North Shore School has students, who have community service hours to perform are available to assist the City with painting, raking leaves, etc.

Mr. Haney also noted that there are no changes to the Storm Water Utility Ordinance 25.114 Sec. 4 as rates will remain the same.

**Motion by Walby, seconded by Ahearn to adopt the FY 2009-10 budget by approval of the following appropriation resolution and amendments to ordinances 25.060 Chapter 31-6 (A)(b,e), 25.260 Chapter 34-10 (d), 25.113 Sec and 25.114 Sec 4 which read as follows:**

**APPROPRIATION RESOLUTION**

**BE IT RESOLVED that this resolution shall be the General Appropriation Act of the City of St. Clair Shores for the fiscal year July 1, 2009 through June 30, 2010, the Act to make appropriations and to provide for the disposition of all revenue received by the City of St. Clair Shores.**

**BE IT FURTHER RESOLVED that the total revenue including fund balances for this fiscal year is as follows:**

<b>GENERAL FUND</b>	
Property Taxes, Administration Fee & Penalties.....	\$29,515,460
Licenses & Permits.....	1,339,100
State & Federal Revenues.....	7,838,206
Fees & Charges.....	5,661,667
Miscellaneous.....	3,416,940
<b>General Fund Revenues.....</b>	<b>\$47,771,373</b>

**OTHER FUNDS & DESIGNATIONS:**

Road Improvement Trust Fund.....	0
Sanitation Trust Fund.....	723,359
General Employees Retiree Health Trust.....	3,475,024
Police and Fire Retiree Health Trust.....	3,824,438
Utility.....	19,806,703
Motorpool.....	2,278,159
Major Roads.....	2,562,119
Local Roads.....	4,506,811
Recreation Revenue System.....	2,469,000
Library Penal Fine.....	55,100
Library State Aid.....	47,100
DLEF.....	186,300
Court Building Fund.....	228,600

Adoption of 2009-2010 Budget and Ordinance amendments to Sewer Use and Rate Ordinance 25.060  
 Sec. 31-6 (A) (b, e); Water Rates Ordinance 25.260 Sec. 34-10 (d); and Storm Water Utility Ordinance  
 25.114 Sec. 4 (Cont'd)

Family Rental Program.....	25,000
Computer Replacement.....	174,521
Milk River Debt Service.....	15,458
Chapter 20 / 21 Debt Service.....	491,166
Clean Water Initiative - SEMSD Project.....	3,898,608
Building Authority - 97 Arena Rebuild.....	146,545
Lac St. Clair Park Revenue Bonds.....	393,090
MVH-2001 12 Mile and Refund 94 L. Mack.....	493,058
Jefferson Water Line Debt.....	209,660
2007 Water Projects.....	283,268
2009 Water Projects.....	836,793
Total Other Funds.....	<u><u>\$47,129,880</u></u>

BE IT FURTHER RESOLVED that the expenditures for the fiscal year beginning July 1, 2009 and ending June 30, 2010, are hereby appropriated on a departmental, activity and fund total basis as follows:

**GENERAL FUND**

101 Legislative.....	\$106,226
140 Court.....	1,863,154
170 City Manager.....	583,939
201 Finance.....	1,125,506
210 City Attorney.....	415,000
215 Clerk/Election.....	751,967
241 Assessment.....	408,676
253 General Government.....	8,780,365
255 Boards & Commissions.....	419,073
258 Information Systems.....	403,217
266 Building Maintenance.....	720,088
300 Police.....	13,460,133
340 Fire.....	6,883,456
370 Community Development & Inspection.....	4,304,636
450 DPW Administration.....	807,972
520 Sanitation.....	4,236,577
701 P & R Administration.....	838,088
702 Recreation.....	282,223
703 Arena.....	933,067
705 Parks.....	1,028,633
706 Senior Center.....	430,514
730 Library & Information Services.....	1,884,978
910 Corporate Insurance.....	1,057,000
General Fund Expenditures.....	<u><u>\$51,724,488</u></u>

**OTHER FUNDS AND DESIGNATIONS:**

Road Improvement Trust Fund.....	0
Sanitation Trust Fund.....	24,000
General Employees Retiree Health Trust.....	1,780,091
Police and Fire Retiree Health Trust.....	1,787,917
Utility.....	20,010,129
Motorpool.....	2,598,990
Major Roads.....	2,562,119
Local Roads.....	4,543,797

**Adoption of 2009-2010 Budget and Ordinance amendments to Sewer Use and Rate Ordinance 25.060 Sec. 31-6 (A) (b, e); Water Rates Ordinance 25.260 Sec. 34-10 (d); and Storm Water Utility Ordinance 25.114 Sec. 4 (Cont'd)**

Recreation Revenue System.....	2,551,785
Library Penal Fine.....	50,000
Library State Aid.....	44,500
DLEF.....	184,880
Court Building Fund.....	50,000
Family Rental Program.....	21,000
Computer Replacement.....	260,036
Milk River Debt Service.....	15,458
Chapter 20 / 21 Debt Service.....	491,349
Clean Water Initiative - SEMSD Project.....	3,370,556
Building Authority - 97 Arena Rebuild.....	146,545
Lac St. Clair Park Revenue Bonds.....	393,090
MVH-2001 12 Mile and Refund 94 L. Mack.....	493,058
Jefferson Water Line Debt.....	209,660
2007 Water Projects.....	283,268
2009    Water	
Projects	836,793
Total Other Funds	<u><u>\$42,709,021</u></u>

**BE IT FURTHER RESOLVED** that the administration continue to follow the revised Charter and amended ordinances with regard to the budget preparation implementations and purchasing requirements, including emergency purchases.

**BE IT FURTHER RESOLVED** that the City Manager and/or Finance Director be authorized to create new appropriation centers or activities through the budget, as necessary, and disclose same to the Council through quarterly budget reports. And further, that the City Manager and/or Finance Director be authorized to make necessary changes between funds, activities, accounts and reserves as required by law and authorized by adoption of the budget documents and this appropriation resolution. Any adjustments will not change the appropriated fund total for expenses as approved in this resolution and will be disclosed to the Council through quarterly budget reports.

**BE IT FURTHER RESOLVED** that by approving the Appropriations Resolution, the Council authorizes the expenditures provided for in the Budget, in keeping with proper procurement procedures as outlined in the Charter and Purchasing Ordinance.

**BE IT FURTHER RESOLVED** that all transfers from the Unappropriated Funds Account be made upon further action of the St. Clair Shores City Council. Extraordinary expenses not foreseen in this budget will be disclosed to the Council in keeping with the Charter and State Laws.

**NOW, THEREFORE, BE IT RESOLVED** that the passage of this annual appropriation resolution is authorization for the expenditures cited hereby within the budget documentation herein.

And adoption of an Amendment to the Code of Ordinances of the City of St. Clair Shores' pertinent to the Water and Sewer Rates, Charges and Fees as follows:

1. The City of St. Clair Shores ordains that Code Section 25.060 Chapter 31-6 (A)(b,e) of the SEWER USE AND RATE ORDINANCE which reads as follows:

b. A second charge of \$28.49 per 1,000 cubic feet shall be charged for water consumed per quarter. This charge, called Regional Treatment Charge, shall offset the wholesale cost of wastewater disposal to the Southeast Macomb Sanitary District and shall be effective July 1, 2008.

e. For non-residential users, a surcharge which shall be called "Wastewater Flow Surcharge" shall be based on meter size as follows:

**Adoption of 2009-2010 Budget and Ordinance amendments to Sewer Use and Rate Ordinance 25.060 Sec. 31-6 (A) (b, e); Water Rates Ordinance 25.260 Sec. 34-10 (d); and Storm Water Utility Ordinance 25.114 Sec. 4 (Cont'd)**

Meter Size	Quarterly Charge	Monthly Charge
5/8"	19.11	6.37
3/4"	28.68	9.56
1"	47.79	15.93
1 1/2"	105.12	35.04
2"	152.88	50.96
3"	277.11	92.37
4"	382.20	127.40
6"	573.30	191.10
8"	955.50	318.50
10"	1,337.70	445.90
12"	1,528.80	509.60
14"	1,911.00	637.00
16"	2,293.20	764.40
18"	2,675.40	891.80

**SHALL BE AMENDED AS FOLLOWS:**

**b. A second charge of \$34.53 per 1,000 cubic feet** shall be charged for water consumed per quarter. This charge, called Regional Treatment Charge, shall offset the wholesale cost of wastewater disposal to the Southeast Macomb Sanitary District and shall be effective **July 1, 2009**.

**e. For non-residential users, a surcharge which shall be called "Wastewater Flow Surcharge" shall be based on meter size as follows:**

Meter Size	Quarterly Charge	Monthly Charge
5/8"	18.75	6.25
3/4"	28.14	9.38
1"	46.89	15.63
1 1/2"	103.14	34.38
2"	150.00	50.00
3"	271.89	90.63
4"	375.00	125.00
6"	562.50	187.50
8"	937.50	312.50
10"	1312.50	437.50
12"	1,500.00	500.00
14"	1,875.00	625.00
16"	2,250.00	750.00
18"	2,625.00	875.00

**f. It is understood that these rates are preliminary. If and when the City of Detroit approves final rates those rates will be passed on to customers.**

**Adoption of 2009-2010 Budget and Ordinance amendments to Sewer Use and Rate Ordinance 25.060 Sec. 31-6 (A) (b, e); Water Rates Ordinance 25.260 Sec. 34-10 (d); and Storm Water Utility Ordinance 25.114 Sec. 4 (Cont'd)**

2. The City of St. Clair Shores ordains that Code Section 25.260 Chapter 34-10(b) and (d) of the WATER ORDINANCE which reads as follows:

d. The following schedule is hereby established and shall be charged for water supplied by the Water Department:

\$21.55 for each 1,000 cubic feet of water consumed or fraction thereof and shall be effective for all billings after July 1, 2008.

Consistent with the above rate schedule, the City has adopted a hardship policy regarding users unable to pay their water bill. The policy is as follows: If at any time a user is unable to pay their water bill due to hardship, the user may appeal the bill to the Water Department Office Manager. Users must furnish necessary documents to justify the appeal which shall include their Michigan 1040-CR form. If the Water Department Office Manager determines that a hardship exists and the user is unable to pay, the bill will be deferred and added to the following year's tax roll without interest.

**SHALL BE AMENDED AS FOLLOWS:**

d. The following schedule is hereby established and shall be charged for water supplied by the Water Department:

**\$25.90 for each 1,000 cubic feet of water consumed or fraction thereof and shall be effective for all billings after July 1, 2009.**

Consistent with the above rate schedule, the City has adopted a hardship policy regarding users unable to pay their water bill. The policy is as follows: If at any time a user is unable to pay their water bill due to hardship, the user may appeal the bill to the Water Department Office Manager. Users must furnish necessary documents to justify the appeal which shall include their Michigan 1040-CR form. If the Water Department Office Manager determines that a hardship exists and the user is unable to pay, the bill will be deferred and added to the following year's tax roll without interest.

**Any ordinance or parts of any ordinance in conflict with any provision of these ordinances are hereby repealed.**

**The ordinances shall become effective upon publication by the City Clerk.**

**This ordinance shall be published by posting the same in three (3) public places within the City of St. Clair Shores and the Clerk is hereby ordered to post the same upon the bulletin boards in the Police Station, 27665 Jefferson Avenue, the Fire Hall 26700 Harper Avenue, and the City Hall 27600 Jefferson Circle Drive.**

We hereby certify that the foregoing ordinance is a true copy of an ordinance as enacted by the St. Clair Shores City Council on the 15<sup>th</sup> day of June 2009, and that the necessary Charter provisions have been observed.

\_\_\_\_\_  
ROBERT A. HISON, MAYOR

\_\_\_\_\_  
MARY A. KOTOWSKI, CITY CLERK

I, Mary A. Kotowski, City Clerk of the City of St. Clair Shores, hereby certify that the foregoing ordinance was published by posting true copies of the same in each of the following places: Police Station, 27665 Jefferson Avenue, Fire Hall, 26700 Harper Avenue, and City Hall, 27600 Jefferson Circle Drive on the 29th day of June 2009.

\_\_\_\_\_  
MARY A. KOTOWSKI, CITY CLERK

Ayes: All – 7

**8. REQUEST FOR ADOPTION OF A RESOLUTION TO PLACE THE RENEWAL OF THE STREETS MILLAGE ON THE NOVEMBER 3, 2009 CITY GENERAL ELECTION**

City Attorney Robert Ihrle explained he has reviewed the resolution and proposed language for the Street Millage to be voted on. He stated that there is a map that shows this was originally approved in 1994. It began as 1 mill and was reduced by Headlee over time. Now it will be less than 1 mill, and will show up as a road levy on your tax bill. The cost is approximately less than \$50 per year per household in taxes, and will be renewed for a period of five (5) years.



**REQUEST FOR ADOPTION OF A RESOLUTION TO PLACE THE RENEWAL OF THE STREETS MILLAGE ON THE NOVEMBER 3, 2009 CITY GENERAL ELECTION (Cont'd)**

Mr. John Chown, AEW, City Engineers, stated there will be total reconstruction, joint sealing or pavement patching, and there will be no federal dollars.

**Motion by Ahearn, seconded by Frederick to adopt a Resolution to place the Renewal of the Streets Millage on the November 3, 2009 City General Election which reads as follows:**

**CITY OF ST. CLAIR SHORES RESOLUTION FOR THE PURPOSE OF SUBMITTING A PROPOSITION AUTHORIZING THE CITY TO AMEND ITS CHARTER**

WHEREAS, the City Council wishes to obtain approval from the voters to **renew** the previously approved Charter Amendment to provide the means of providing for necessary street and sewer repair and construction as provided in Section 8.9(d) of the City of St. Clair Shores City Charter, and,

WHEREAS, the City Council wishes to have this proposition submitted to the voters at the General Election to be held on November 3, 2009, and

WHEREAS, the City Council wishes to approve such ballot proposition and authorize the St. Clair Shores City Clerk to proceed with all required notices for such ballot proposition.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL FOR THE CITY OF ST. CLAIR SHORES, as follows:

1. The City of St. Clair Shores shall submit the following proposition set forth in Paragraph 3 below to qualified electors at the November Election to be held on November 3, 2009.
2. The City Clerk shall cause all required notices to be published as required by law.
3. The following proposition shall be submitted to the qualified electors of the City at the November Election on November 3, 2009.

**A PROPOSITION TO AMEND THE CITY CHARTER AND RENEW THE LEVY OF ONE MILL AS REDUCED BY HEADLEE ROLLBACK FROM 2004**

**PROPOSAL A.**

Shall the City of St. Clair Shores, Michigan, levy of one mill per year for five (5) years approved in 1994 and **renewed** in 1998 and 2004, providing for necessary residential street repairs, street construction, and related sewer repairs and construction, be **renewed** for an additional five (5) years at a reduced millage rate of .9830 mills per \$1000.00 of taxable valuation (.9830) of State taxable value which is estimated to produce \$1,876,344.00 of increased collections in the first year?

YES

NO

4. The Charter language will read as follows:

**10.219(d) Means of Providing for Necessary Street and Sewer Repair and Construction.**

Sec. 8.9 (d) Necessary residential street repairs, construction and related sewer repairs and reconstruction shall be provided for by the levy and collection of .9830 mills per year for five (5) years.

5. The City Clerk is authorized to take whatever action is necessary under the Election Laws of the State of Michigan to notify electors of the City of the proposition being submitted at the General Election and of the last day of registration therefore. The City Clerk shall cause appropriate registration and elections notices to be inserted as required by the State Election Law in the newspaper of general circulation in the City.

**REQUEST FOR ADOPTION OF A RESOLUTION TO PLACE THE RENEWAL OF THE STREETS MILLAGE ON THE NOVEMBER 3, 2009 CITY GENERAL ELECTION (Cont'd)**

6. All resolutions and parts of resolutions in conflict with the foregoing are hereby rescinded.

A vote on the foregoing resolution was taken and was as follows:

Ayes: All – 7

**9. REQUEST TO CONTINUE AUDIENCE PARTICIPATION ON AGENDA ITEMS WITH A 2 MINUTE TIME LIMIT**

On March 16, 2009, Councilmembers Moffitt and Rubello asked that Audience Participation regarding Agenda Items be placed on the Council Agenda. It was approved for a 3-month trial period, which expires with tonight's meeting.

Motion by Rubello, seconded by Walby to continue Audience Participation regarding Agenda Items at the beginning of the meeting with a two minute time limit, and amend the Council Rules of Procedures to reflect this change (Section 4 Order of Business).

Councilmember Frederick suggested moving move Audience Participation to immediately follow the Consent Agenda on a 3-month trial basis.

Councilmembers Moffitt and McFadyen stated they are comfortable with the agenda the way it is.

Amendment to Motion:

**Motion by Frederick, seconded by Ahearn to amend the original motion to include moving Audience Participation to right after the Consent Agenda for a 3-month trial period.**

Roll call vote

Ayes: Frederick, Ahearn Rubello,

Nays: Moffitt, McFadyen, Walby, Hison

AMENDMENT TO ORIGINAL MOTION FAILED

Original Motion:

**Motion by Rubello, seconded by Walby to continue Audience Participation regarding Agenda Items at the beginning of the meeting with a two minute time limit, and amend the Council Rules of Procedures to reflect this change (Section 4 Order of Business).**

Ayes: All - 7

**10. BIDS/CONTRACTS/PURCHASE ORDERS**

- a. **Request approval of maintenance Contract for Police Department to contract with Comsource to maintain 114 mobile and prep radios**

Mr. Podolski explained that when the Police Department purchased from Motorola, a 2-year extended warranty was also purchased, which is now expiring. Funds are allocated in their Maintenance budget.

**Motion by McFadyen, seconded by Ahearn to approve the Maintenance Agreement and award to Comsource for \$15,570.60.**

Ayes: All - 7

- b. **Request from Motor Pool to purchase riding mower for Parks**

Mr. Podolski, explained that due to increased demand placed on their crews with additional ball fields to maintain, and the age of current equipment, plus advanced technology in the industry, replacement of one mower in the Parks Department is required. Money is budgeted in the Motor Pool to purchase one 72" zero turn riding mower. Mr. Podolski stated he recommended the purchase.

**Motion by Ahearn, seconded by Frederick to approve the purchase of one John Deere 997 zero turn mower from the AIS Construction Equipment Corporation for \$13,623.00.**

Ayes: All – 7

**c. Request to Extend Engineering Services Contract**

Mr. Rayes explained that the contract for engineering services with Anderson Eckstein & Westrick, Inc. (AEW) expires at the end of June 2009. Staff is recommending the proposal from AEW be accepted to extend their contract one more year at their current rate structure.

Councilmember Rubello stated the City has spent over \$1 million to AEW each of the last 3 years.

There are over 100 firms in this area that supply the same kind of work AEW does and felt this item should be bid.

Mr. Rayes replied there are only about 15 other firms in the tri-county area that provide this type of work and AEW works diligently for St. Clair Shores. AEW brings value to our community as they know how our systems work, as their services are not just a product you buy off the shelf. Council has to determine how much money you want to spend to bring someone else in and then how long are you willing to keep them and start this process over. There is institutional knowledge.

Mr. Roy Rose, President of AEW stated that his firm has brought grant monies into the City such as the S2 program grant where there was \$40 million available in grant funds. They also brought another \$10 million to our clients in this area with stimulus grants. They work on behalf of their clients at the County to get federal aid projects and are working on your behalf with the upcoming federal grant opportunities.

Mr. Rayes added that AEW has knowledge of our systems. A new firm will cost more because they need to be trained in the history of our systems.

Councilmember Ahearn asked about how much money in projects AEW oversaw in one year in St. Clair Shores. Mr. Chown replied approximately \$5-10 million just for construction.

Councilmember Ahearn stated that he owns his own business, and when his machines go down, he loses money, and time is money. He added that he likes the bidding process, but there is a time and place for it. The lowest bidder is not always the best.

Councilmember Walby stated they owe it to the residents to dip our toes in the water and get out from the status quo.

Councilmember Frederick stated he doesn't disagree with the bid process, and hopes the numbers are all correct. AEW charges a flat rate per service. When construction costs are down, AEW makes less money. AEW's contract has been frozen since 2007, and we have given them zero increase.

Mayor Hison stated the City has worked with them for over 15 years, and we will be paying them over \$250,000 less this coming year.

**Motion by Ahearn, seconded by McFadyen to approve the request to extend the City's engineering services contract with Anderson, Eckstein and Westrick, Inc with the 2007 Hourly Charge Rate Schedule for one year expiring on June 30, 2010.**

Ayes: Ahearn, McFadyen, Frederick, Moffitt, Hison

Nays: Rubello, Walby

**d. Consideration of Insurance Proposals for the fiscal year beginning July 1, 2009**

Mr. Haney, Finance Director explained that the City received two proposals for property, casualty and liability insurance for the year beginning July 1, 2009. The current provider, Michigan Municipal Risk Management Authority, proposed to continue the current coverage with a 5% reduction in price from the current year. The City also received a proposal from the Arthur J. Gallagher Risk Management Services, Inc. Both were permitted to amend their original proposal.

Councilmember Moffitt stated he would like to get additional information on this topic before voting, and would like to table this item until the next meeting.

Mr. Haney reminded Council that the coverage expires under the current contract on June 30, 2009.

**Consideration of Insurance Proposals for the fiscal year beginning July 1, 2009 (Cont'd)**

Councilmember Walby stated he would abstain from voting because of his employment with Arthur J. Gallagher Risk Management Services.

**Motion by Moffitt, seconded by Rubello to TABLE this item to the July 6, 2009 Council Meeting.**

Roll Call Vote  
Ayes: Moffitt, Rubello, Frederick, McFadyen  
Nays: Ahearn, Hison  
Abstain: Walby

**11. CONSENT AGENDA**

**Motion by Ahearn, seconded by McFadyen to approve the Consent Agenda items as presented, with the exception of item a. that was removed and considered separately, which include the following:**

**b. Fees**

Ihrie & O'Brien	\$9,712.00
Roumell & Lange, PLC	\$2,848.47

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

**c. Progress Payments**

Carl's Outdoor Service, Inc.	\$ 15,657.74
FDM Contracting	\$175,480.57
TR Pieprzak	\$ 14,306.30
Tiseo Brothers, Inc.	\$ 31,416.56
Galui Construction Company, Inc.	\$ 39,045.22
Galui Construction Company, Inc.	\$ 6,491.16

**To approve the above progress payments, subject to audit.**

**d. Approval of Minutes**

**To approve the following minutes:**

City Council	June 1, 2009
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**e. Receive and File Boards, Commissions and Committee Minutes**

**To receive and file the following minutes:**

<u>Minutes</u>	<u>Meeting Date</u>
Election Commission	October 29, 2008
General Employee Retiree Health Care Board	April 21, 2009
Historical Commission	May 5, 2009
Police and Fire Pension Board	April 30, 2009
Police and Fire Retiree Health Care Trust Board	April 30, 2009
Sign Arbitration Board	April 23, 2009
Water Resources and Advisory Board	May 5, 2009
Brownfield Redevelopment Authority	November 18, 2008
Building/Property Maintenance Board of Appeals	April 30, 2009
Tax Increment Finance Authority	April 16, 2009

**f. Final adoption of the July 1, 2008 through June 30, 2009 budget**

**g. Adoption of the relocation of Precinct 14 from Greenwood School to Jefferson Middle School for the August 4, 2009 Primary Election due to construction.**

Ayes: All – 7

### **Separated Item a. Bills**

Mr. Walby questioned the invoices from Hydro Meter Service Inc.

**Motion by Frederick, seconded by Ahearn to approve item a. (Bills), as listed in the Consent Agenda.**

**To approve and release of checks in the amount of \$1,608,185.83, of the report that is 17 pages in length and of the grand total amount of \$1,608,185.83, \$0 went to other taxing authorities.**

#### **a. Bills**

June 5, 2009

\$1,608,185.83

Ayes: All – 7

### **12. UPDATES AND FOLLOW-UPS FROM COUNCIL MEETING**

- PCB's – Mr. Podolski read a letter that was sent to residents regarding installing a monitoring well on Bon Brae. It has the ability to go under the drain. The thought is that PCB's may be found at the site. If they are found, they will be extracted and removed. All indications show this is the location the PCB's may be found.
- PEG Access – Mrs. D'Herde stated that June 12 has come and gone, and even after all the advertising and talk over the last year, there were still about 700,000 households throughout the country that didn't know about turning off the analogue signals. WOW and Comcast City channels will remain the same for now.
- Food Handlers Permit – Ms. Kotowski stated food handlers must go to the Macomb County Health Dept to obtain temporary food service permits.
- Study Session – Mayor Hison said a study session will be held June 22, 2009 at 7:00 p.m. to discuss the Plante Moran Cresa presentation on the Court Building and the Honeywell Contract.
- Gourmet House – City Attorney Ihrle stated he drafted a new agreement and hasn't heard back yet.

### **13. COMMENTS BY INDIVIDUAL COUNCILPERSONS**

**Council Member Moffitt** passed.

**Council Member McFadyen** announced that on June 19, 2009, you can bring children or grandchildren to the Senior Center at 10:00 a.m. There will be a special free potted flowers class for kids. On July 20, 2009, there will be an integrated tea party and etiquette class with different teas and desserts. In addition, there will be Maj Jong in July. For the 50 – 65 year olds, and for a cost of \$10, 5 minute speed dating will be held at the Senior Center on July 28<sup>th</sup> at 6:00 p.m.

**Council Member Rubello** thanked everyone involved with the Real Estate Open House. It went very well with about 160 people going through the City.

Council Member Rubello stated a resident had contacted him about unsafe holes at the construction site on 12 Mile and Little Mack.

**Council Member Frederick** stated we should look into opportunities to save money by applying for energy saving grants when we are purchasing new vehicles.

Council Member Frederick reminded residents about upcoming events.

Council Member Frederick suggested the City look for grant money to put up some type of emergency public announcement system in Memorial Park.

**Council Member Walby** asked if we had received any stimulus money. Mr. Rayes replied the City is receiving money to redo 9 Mile from Harper to Jefferson.

Council Member Walby asked for new Waste Management contract fees that will take effect on July 1, 2009.

**Council Member Ahearn** stated we should consider a moratorium or up charge on slow water meter charges when a resident pays for the installation of a new water meter.

**Mayor Hison** stated he would like the project evaluated and put on a future agenda.

### **14. CITY MANAGER'S REPORT - NONE**

## **15. AUDIENCE PARTICIPATION**

Robert Holesack, 23814 Elmira, raised his continuing concerns on the home fire on his block that has not been repaired or demolished.

Peter Rubino, 22016 Shady Lane, stated that last summer City council voted on odd/even watering days for your lawn and asked about the fine and enforcement.

## **AUDIENCE PARTICIPATION (Cont'd)**

Randy Janack, 31509 Share St., informed Council that there have been numerous car accidents at his residence. People are running into his home and landscaping. Mr. Podolski asked him to leave his information with the Clerk and he would try to assist him.

Sue Jesion, 21308 Raymond, stated she has an issue with the installation of the new water meters.

Erin Stahl, 20113 Avalon, stated the I-94 cleanup was very successful. There were 13 great volunteers who collected 26 bags of litter. The next cleanup is scheduled for July 11, from 10:00 a.m. to 12:00 p.m. She added that volunteering for this event also serves for community service credits for students.

Jack Doerr, 22407 Bayview, suggested transferring TIFA funds into the General Fund.

Rick Swanquist, 21815 Bon Brae, stated he is in favor of continuing the 2 minute Audience Participation on agenda items. Mr. Swanquist also stated he was glad the AEW contracts were tabled tonight. He asked when the budget packet from the meeting tonight will be online as he couldn't find it on the website today.

Duane Michno, 20913 Ardmore Park, stated the banner should be left alone at Memorial Park and doesn't believe it is a political issue.

Robert Soulliere, 23200 Westbury, stated he received a violation for having boulders in the right-of-way. He stated the boulders have been there for 35 years, even before he purchased his home in 1991. He asked for assistance in regard to the violation.

Matt Parks, 22836 St. Joan, asked the difference between a telephone pole, a boulder, or a tree.

## **16. REQUEST TO ENTER CLOSED SESSION AS PERMITTED BY STATE STATUTE MCLA 15.268 SECTION 8(E) CITY OF GROSSE POINTE WOODS TAX TRIBUNAL LITIGATION**

**Motion by Ahearn, seconded by McFadyen to enter Closed Session at 10:38 p.m., as permitted by state statute MCLA 15.268, section 8(e) City of Grosse Pointe Woods Tax Tribunal Litigation.**

Ayes: All - 7

**Motion by Ahearn, seconded by McFadyen to return to Open Session at 11:02 p.m.**

Ayes: All - 7

## **17. ADJOURNMENT**

**Motion by Ahearn, seconded by Rubello to adjourn the meeting at 11:04 p.m.**

Ayes: All - 7

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

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ROBERT A. HISON, MAYOR

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MARY A. KOTOWSKI, CITY CLERK