

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

Monday, October 19, 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
Human Resource Director
Finance Director/Treasurer
Community Services Director
City Planner
Communications Director
Recording Secretary

Kenneth R. Podolski
Mary A. Kotowski
Robert D. Ihrle
Mike Smith
Tim Haney
Chris Rayes
Liz Koto
Mary Jane D'Herde
Ayla Klein

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

Mayor Hison called the meeting to order at 7:00 p.m. Ms. Kotowski, City Clerk, called the roll with a quorum present. The Pledge of Allegiance was recited by those in attendance.

2. PROCLAMATIONS & PRESENTATIONS

a. Shore Lanes 50th Anniversary

Mr. David Roth, President of Shore Lanes Inc., said he and his family are grateful for the award and to have served the community for fifty years. He thanked the St. Clair Shores Police and Fire Departments for their support. He introduced his family and staff that attended the meeting. He thanked the customers of Shore Lanes. He stated that in celebrating their fifty years of service, they are offering fifty cent bowling from October 24 to October 30, from 10:00 a.m. to 4:00 p.m.

b. Tom Langer

Mr. Tom Langer was presented a proclamation to recognize his heroic efforts in rescuing his neighbor, Ms. Cislo, from a house fire. He praised the Fire, Police, and EMS for being the heroes and doing this on a daily basis. His family and neighbors were in attendance at the meeting. He said St. Clair Shores is a great City and Ms. Cislo was one of the best neighbors he had.

c. Senior Olympic Winners

Mayor Hison asked Mr. Esler, Parks and Recreation Director and Ms. Fickau, Senior Center Coordinator, to come forward and help him present the proclamations.

Ms. Fickau stated St. Clair Shores is one of the few communities that participate in the Senior Olympics and we are proud of our athletes.

Mr. Esler stated he normally competes in the Senior Olympics, but did not compete this year. He said Mr. Gene Meyer is an ambassador to the senior center and to the Senior Olympics. He stated how proud they are of the athletes and all the seniors.

c. Senior Olympic Winners (Cont'd)

Mayor Hison asked the Senior Olympic winners individually to come forward to accept the proclamations. Gene Meyer, Jack Downey, Mary Bohnhoff, Marie Krenzer, Lois Sloan, Joe Buys, John Blumline, Kenneth Kinney all were in attendance and accepted their proclamations.

Ms. Walda Tichy and Mr. Robert Gaffigan were unable to attend the meeting to accept their proclamations.

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

Mr. Jim Goodfellow, 22476 Lakeland, spoke on Agenda items #5 and #6. On Agenda item #5 he would like a breakdown of what was going to be done and the cost. On Agenda item #6 he was upset that TIFA approved bidding out of this project.

4. REQUEST FOR APPROVAL OF PEA CONTRACT FOR A THREE-YEAR PERIOD

Mr. Smith, Human Resource Director, highlighted the proposed PEA Contract, which includes the following: 1) Three year extension through June 30, 2013; 2) Imposes a wage freeze for the duration of the agreement; 3) Increase in employee contribution to the Defined Benefit Pension System by 1% of pensionable wages on July 1, 2010 and an additional 1% percent on July 1, 2011 (results in an increase in employee contributions to the pension system of approximately \$15,000 in 2010 and \$30,000 in each following years); 4) Eliminates the benefit of retiree health care (estimated annual cost of \$7,700 per employee per year) for all new hires and replaces that benefit with a Retiree Health Savings plan (RHS) with a one (1%) employee contribution and a two (2%) percent employer contribution (estimated annual cost per employee of \$1,400 per year, resulting estimated savings of \$6,300 per employee per year); 5) Effective 1/1/2010 – replace the current Community Blue plan with a Healthy Blue Incentive Plan (estimated savings approx. \$47,000 annually); 6) New hires shall be limited to health and dental insurance coverage to the employee and spouse only, (reduces potential cost to City by as much a \$3,700 each employee annually); 7) Limits health insurance coverage for future retirees to employee and spouse only (reduces potential cost to City by as much a \$3,000 each retiree annually); and 8) Eliminates the longevity benefit for all new hires.

Employees who choose to live a healthy lifestyle could receive a discount in their healthcare premiums. Employees could choose to purchase healthcare insurance for dependents and it would be a payroll deduction. The changes to retiree and active employee healthcare to Healthy Blue Incentive Plan would show savings starting January 1, 2010.

Mr. Smith explained that this is not a perfect contract and it is impossible to have a perfect contract that both parties would be absolutely happy with. Health insurance and pensions were both at the top of Council's concerns in the past and that is why it is being addressed now. He feels that he dealt with a number of issues Council requested, the appropriate changes were made, but not all changes will happen at once. We should realize a net savings in this contract. The Union passed this contract by only one vote.

It was discussed how employees' are able to receive payment for sick days and vacation days that have accumulated over a certain amount if they don't use the sick days by the end of the year. Last year nineteen employees received additional pay for over one hundred hours of sick / vacation time.

Mr. Moffitt would like this additional benefit to be eliminated along with a few more benefits and that days in lieu of overtime be rolled into base pay.

Items raised for future contract negotiations were calculations that make up a defined benefit pension (FAC) final average compensation.

Mr. Walby stated he appreciated the benefit changes but felt they were not enough and that savings won't occur until there are new hires.

Mr. Smith stated this is an extension to the current contract and would affect new hires immediately. He wanted to make sure that there was a contract in place. We would only have numbers one year at a time and he didn't think that it is practical to have contract negotiations every year. Effective January 1, 2010, we will see cost savings with employees contributing 1% to pensions, the health care change to Healthy Blue, and co-pay increases.

The question was raised of when we are going to have our projected State Shared Revenue from the State for the next year. The State at this time has not adopted a budget by October 1st, so these figures are unknown.

4. REQUEST FOR APPROVAL OF PEA CONTRACT FOR A THREE-YEAR PERIOD (Cont'd)

Mr. Smith said that a number of people have postponed their retirement because their 457 has not done well and they have lost money.

Motion by McFadyen, seconded by Frederick to approve request to approve the collective bargaining agreement extension between the City Of St. Clair Shores and the City of St. Clair Shores Professional Employees Association (PEA) which would expire on June 30, 2013.

A roll call vote was taken.

Ayes: Ahearn, Frederick, McFadyen, Hison

Nays: Moffitt, Rubello, Walby

Motion carried.

5. REQUEST FOR APPROVAL OF TEN YEAR CAPITAL IMPROVEMENTS PLAN (CIP)

On September 22, 2009, the Planning Commission recommended approval of the CIP, to be presented to City Council for final approval, as required.

Mr. David Scurto, Carlisle Wortman, explained that this is a ten year capital plan. Part one shows finance methods that could be available to the City. Part two breaks down capital needs by department. This provides a long range look at capital improvements over the future ten years. A study is completed for each department. The Department Directors worked diligently and steadfast on this plan.

Although there were many things in the plan that would be considered necessities, there was some concern with the fact that this list had equipment that may never be purchased or projects that could never be completed and seemed almost unreasonable.

Mayor Hison explained that this is only a plan and there is no commitment to spend money or do anything if we choose not to. Every vehicle, building, and computer is being evaluated in this study. The election equipment is already seven years old and would need to be replaced in this upcoming ten year period. It was suggested to put together a ten year plan instead of the normal five year plan. It is meant to be a living document and should be changed as time goes on. The asking of the approval is to have a living document and when the time comes to look at the budget, we will use this document to base our estimates on.

Mr. Podolski noted he set the parameters for Staff, advising them not to look at economic conditions but to look at what each director needs to enhance services and productivity in their departments. There are items in this plan that we will not be able to afford, these are the costs of doing business. By creating the Ten Year Capital Plan, it allows the City Council and Administration to see the cause and effect when we delay a purchase/repair. He said that all these projects and equipment must be stated in a master plan in order to qualify for State or Federal grants. Doing this study has brought to attention many issues that we need to be aware of for future budget years.

It was noted that all projects and requests for equipment must be approved by Council.

Motion by Frederick, seconded by Ahearn to approve a request for approval of Ten Year Capital Improvements Plan (CIP).

Ayes: All - 6

Nay: Walby

6. BIDS/CONTRACTS/PURCHASE ORDERS - REQUEST TO AWARD BID FOR NAUTICAL MILE STREET REPAIRS

The TIFA Board directed staff to review the Nautical Mile for repairs to the roadway and sidewalks. Based on this review, an estimate was done and ultimately bid out, as directed by TIFA. They approved the expenditure at their October 8, 2009 meeting. Because this is a non-budgeted item, it also required the approval of City Council.

Mr. Rayes stated that this project consists of curb repairs, full depth concrete patch replacement, partial depth concrete replacement, sidewalk and paver brick repairs, and tree grate adjustments. The low bidder is Florence Cement Company in the amount of \$216,448.20. He said that it is anticipated that this project will be finished this year but it greatly depends on the weather.

6. BIDS/CONTRACTS/PURCHASE ORDERS - REQUEST TO AWARD BID FOR NAUTICAL MILE STREET REPAIRS (Cont'd)

Mr. Walby said that the ASR problem we encountered on Little Mack is the same problem we are starting to see on Jefferson and there are funds in the TIFA budget to pay for these repairs. Each year TIFA funds of approximately \$175,000 are returned to the General Fund to make an improvement that benefits all residents.

Details of the project were questioned including the engineering cost, repairs to the pavers, and the curbs. Making these repairs was more cost efficient than removal/replacement of the pavers.

Motion by Ahearn, seconded by Moffitt to approve a request to award bid for Nautical Mile street repairs to Florence Cement Company, in the amount of \$216,448.20.

Ayes: All – 6
Absent: McFadyen

7. CONSENT AGENDA

Motion by Moffitt, seconded by Walby to approve the Consent Agenda items a, c, d & e as presented, with the exception of item b that was removed and considered separately.

a. Bills

October 12, 2009 \$3,722,798.11

To approve the release of checks in the amount of \$3,722,798.11, of the report that is 22 pages in length and of the grand total amount of \$3,722,798.11, \$431,352.47 went to other taxing authorities.

c. Progress Payments

Pro-Line Asphalt Paving Corporation	\$104,583.40
FDM Contracting, Inc.	\$ 6,523.23
Galui Construction Company, Inc.	\$207,040.59
Galui Construction Company, Inc.	\$106,658.76
Tiseo Brothers, Inc.	\$ 28,915.38
RS Contracting, Inc.	\$ 53,752.60

To approve the above progress payments, subject to audit.

d. Approval of Minutes

To approve the following minutes:

<u>Minutes</u>	<u>Meeting Date</u>
City Council	October 5, 2009

e. Receive & File Boards, Commissions & Committee Minutes

To receive and file the following minutes:

<u>Minutes</u>	<u>Meeting Date</u>
Beautification Commission	May 13, 2009
Beautification Commission	August 12, 2009
Cool City Committee	May 13, 2009
Corridor Improvement Authority	September 2, 2009
Cultural Committee	February 11, 2009
Cultural Committee	March 11, 2009
Cultural Committee	May 13, 2009
Fence Arbitration Board	January 21, 2009
Fence Arbitration Board	July 15, 2009
Historical Commission	June 2, 2009

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

Mayor's Advisory Panel
Planning Commission
Tax Increment Finance Authority
Water Resources and Advisory Board
Waterfront Environmental Committee
Waterfront Environmental Committee
Zoning Board of Appeals
Zoning Board of Appeals
Zoning Board of Appeals
Zoning Board of Appeals

September 17, 2009
February 10, 2009
August 26, 2009
June 2, 2009
May 12, 2009
August 18, 2009
April 2, 2009
May 7, 2009
June 4, 2009
August 6, 2009

Ayes: All – 6
Absent: McFadyen

Separated item b Fees

Mr. Moffitt questioned the litigation costs for the demolition of houses and why there was a quick turnaround on some houses and not on others.

Mr. Ihrie stated that sometimes when dealing with demolition of a structure, there are multiple title lien holders that must be dealt with and it takes time.

There was a request for a breakdown of the Act 312 Fire Arbitration costs.

Motion by Moffitt, seconded by Walby to approve Consent Agenda item b Fees, Ihrie & O'Brien \$12,424.00 and Roumell & Lange, PLC \$26,427.20 subject to audit.

Ayes: All – 6
Absent: McFadyen

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

- **PCB's** – Mr. Podolski stated cleaning has been progressing behind Mike's Marine. As the City's contractors will move to the Harper site, there may be barricades that motorists will have to avoid.
- **10 Mile Road Construction** – Mr. Rayes said the Contractor will be laying the final lane once the catch basins adjustments are completed. He is optimistic that the project could be complete by the next Council meeting.
- **Grant for 8, 11, 14 Mile Roads and Harper** – Mr. Rayes said that Tri Valley Landscaping is overseeing the project and he has asked them to address the concerns.

Mr. David Gilbert, Tri Valley Landscaping, stated that the landscaping at 8 Mile and 14 Mile roads is done. All locations should be complete by the end of this week and they will start the pocket park project. He is optimistic that all projects will be done by the end of November, 2009. He apologized for the delays and noted City Staff had been great to work with.

9. **COMMENTS BY INDIVIDUAL COUNCILPERSONS**

Council Member Walby asked about the amount of Federal Stimulus dollars the City has received to date.

Mr. Rayes explained that there are three different programs that we received money for. We received money for LED street lighting, Energy Efficiency dollars, and \$1.7 million for homes to be put back on the market. We will be submitting the information of how we installed LED street lighting to DTE to reduce our street lighting bill. We received dollars for Nine Mile Road.

Mr. Walby questioned the status of the property at Stephens and Jefferson where the building was torn down.

Mr. Rayes noted that this site has been identified as a Brownfield site and the property owner is in negotiations with their former tenant regarding site changes.

9. COMMENTS BY INDIVIDUAL COUNCILPERSONS (Cont'd)

Council Member Frederick encourages the City staff to look at stimulus money for alternative energy options.

Mr. Rayes said we are not at the point to determine how to get the best return.

Council Member Rubello asked Community Development to review the temporary sign ordinance to allow sandwich board signs be left up all year long by businesses. He noticed that Eastpointe is practicing this and believes that it would help the businesses in the City.

Council Member McFadyen congratulated Village Market on celebrating sixty years of doing business in St. Clair Shores. They had "Family Day" and had five hundred customers come. She noted she brought back grant information and Parliamentary procedures with respect to motions from the MML Conference.

Council Member Moffitt commended the Beautification Commission and Cool Cities Committee for coming together to complete the landscaping project at 12 Mile and Greater Mack. He announced that Shorewood Kiwanis has purchased the last flag pole in Veterans' Memorial Park.

Council Member Ahearn said the hockey opening day was a great success. He asked for residents to support a fundraiser for a six month old boy, who has a rare disease, by attending his benefit dinner at Barrister Gardens on November 5 from 6:00 p.m. to 10:00 p.m.

Mayor Hison said the Corridor Improvement Authority is sponsoring a Christmas light contest for every two miles on Harper. There was a discussion about home sales and at one point there were seven hundred, seventy-five homes for sale in the City and that number has been reduced to three hundred, seventy homes.

10. CITY MANAGER'S REPORT

Temporary Political Sign Ordinance Violations

Mr. Podolski clarified that there has not been selective enforcement on the political sign ordinance. Ms. Wolny does an excellent job and follows the lead of her supervisors, Mr. Rayes, and himself. He stated that every one of the candidates running for City Council were in violation with some of their campaign signs. He does not appreciate comments of people saying that his staff is not doing their job.

Mr. Ihrie explained how in order for a business to place a sign up, they need to apply for a temporary sign permit. During an election, there are many signs that are put up by candidates that do not go through the normal temporary sign permit ordinance procedure. Every sign that is put up must be in accordance with the temporary sign ordinance in regards to size and location of the sign and must have the property owner's permission.

Mr. Ihrie stated that every one of the candidates had signs that were in violation of the ordinance, but the majority of the signs were in compliance. When there is a gross violation of the ordinance, such as, line of sight or safety issues, the City enforces the ordinance by calling the candidate and/or removing the signs.

Request to have Cobalt Community Research conduct a Citizen Satisfaction Survey during FY 2009/2010

Given the present economic challenges St. Clair Shores is facing, it is critically important that the Mayor, Council, and Administration receive feedback from registered voters on key issues that have been identified. The previous Citizen Satisfaction survey conducted in 2004 cost the City \$15,000.00. The Cobalt Survey would cost \$8,400.00. Their fee is based on the number of City employees.

Mr. Smith said Cobalt Survey has worked with other communities such as Ferndale and Warren. He feels that sometimes we "miss the mark" and this is a good way to find out how we are doing in each area because sometimes what we may think is important, may not be looked at as important to the residents and vice versa. This is a mail survey and Cobalt Survey has a 25% to 30% return rate.

Mayor Hison pointed out that this survey will cost \$8,400.00 and the last survey was done in 2004 costing \$15,000.00.

Mr. Rubello asked why the survey that was done in Ferndale was cheaper and the survey seemed too vague as far as the questions that were asked. He believes that it is important to receive feedback from the residents, but is not sure about how much having a vague survey will help the City and its residents.

10. CITY MANAGER'S REPORT – Cobalt Survey (Cont'd)

Mr. Smith explained that there were less surveys sent in Ferndale. Manpower, printing cost, and publishing cost have a lot to do with determining the final cost. He said Ferndale chose a core survey and we will have a module survey which will get very specific in certain areas.

Mr. Rubello mentioned how a few months ago it was decided that a gas station was going to be put up and the residents clearly did not want another gas station put up. This made him question the survey process. He feels he listens to the residents, but feels that Council has failed to listen to the residents' wishes at times.

Mr. Moffitt feels that residents contact Council on a daily basis to express their concerns and this helps them to have a pretty good idea of what the residents want. He thinks this survey will be used to discontinue and remove services that the City provides when it's necessary to cut the budget.

Mayor Hison noted that this coming budget year will be one of the hardest to adopt during this dire economic time. He felt that the residents need to be heard and it's unfair to assume what they want and not give them the opportunity to have their opinions heard. This is a non-profit organization that has been involved in helping many successful businesses. A more detailed survey was done by the City of Warren.

Ms. McFadyen stated she wanted to hear from the residents and felt the survey was a good option.

Mr. Walby pointed out that we are going to send the survey to 1,500 people and will only receive back approximately 375 surveys which is only 1/2 of 1% and then will base our decisions on that. He felt there was a better way to obtain residents input.

Mr. Ahearn said even though Council is in close touch with the residents through phone and email all the time, he did not believe that any one sitting here would disagree that it is the same people responding. He would like to hear from the residents that he normally doesn't hear from to get a better idea of what residents want. Once this year your right to vote on a millage was taken away by this Council not placing it on the ballot. Here is another tool to hear what our residents want and the direction they want to see the City move toward.

Mr. Frederick asked that the survey results guarantee at least 300 returns.

Motion by Ahearn, seconded by Frederick to approve the request to have Cobalt Community Research conduct a Citizen Satisfaction Survey during FY 2009/2010.

A roll call vote was taken.

Ayes: Ahearn, Frederick, McFadyen Hison

Nays: Moffitt, Rubello, Walby

Motion carried.

11. AUDIENCE PARTICIPATION (5 MINUTE TIME LIMIT)

Joe Rossi, 28106 Grant, thanked the Cops for Kids and said that they helped a friend of his family and it was much appreciated. He encouraged everyone to vote. He said that St. Clair Shores is a great community.

Bryan Mazey, Lac St. Clair Kiwanis Club, announced that the St. Clair Shores Family Funfest was a huge success. He thanked Mayor Hison and Council for participating in the event.

Jack Doerr, 22407 Bayview Dr., does not agree with having a survey that will cost \$8,400.00 and thinks that we should put it in the St. Clair Shores Newsletter to get a more accurate feedback.

Marcel Verstraete, 19909 Gaukler, thanked Parks and Recreation, Gilbert's Hardware, Mr. Frederick, Mr. Ahearn and Council for assisting in the West Shores Homeowners annual party.

Don Champine, 22816 Doremus, mentioned there is a big piece of cement that came up already on Harper at Eight Mile Road.

Mr. Rayes explained they are going to cut out that entire lane of that section and replace it.

Jack Downey, 20100 Rosedale, suggested residents put their issues in the drop box and have Council open the box at Council meetings. He asked how many signs can be put up per house.

Mr. Ihrie said it is one sign per candidate on residential property.

11. AUDIENCE PARTICIPATION (Cont'd)

Chris Vitale, 28701 Grant, had an issue with the political signs that are posted throughout the City.

Jamie Victory, 32069 Willamsburg, said he thinks there needs to be more signs for the Kiwanis Harper Cruise to redirect returning cruise traffic.

Norma Rusie, 21036 St. Gertrude, stated that candidates should know better than to leave their signs in incorrect places and should remove them.

Keith Bammel, 23163 Gladhill Lane, announced that the STRAW debate is available online.

Scott Perez, 20417 Pleasant, the president of the soccer club, remarked on their experience with Swany Construction. He thanked Council and Mr. Rayes for their help with finishing the soccer structure.

Rick Swanquist, 21815 Bon Brae, owner of Swany Construction, responded to Mr. Perez's comments.

Frank Troester, 22208 Colonial Ct., commented that residents could review the September 8 Council packet and review the bid tabulations.

12. ADJOURNMENT

Motion by Ahearn, seconded by Frederick to adjourn at 10:34 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