

**MINUTES  
ST. CLAIR SHORES CITY COUNCIL MEETING  
May 21, 2012**

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

Present: Mayor Walby, Council Members Caron, Rubino, Rusie, Tiseo, and Vitale

Excused: Council Member Frederick

Also Present: City Manager Hughes, City Clerk Kotowski, Director Claeson, City Planner Koto, and City Attorney Ihrie

**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 roll with a quorum present and noted that Mr. Frederick asked to be excused from the meeting.

**Motion by Rusie, seconded by Caron to excuse Council Member Frederick from the meeting.**

Ayes: All - 6  
Absent: Frederick

The Pledge of Allegiance was recited by those in attendance.

Mayor Walby stated that Item #6, Request from First United Church and New Birth Church of God in Christ to hold "Taking it to the Street Youth Jam" was rescheduled to June 4, 2012.

**2. PROCLAMATIONS & PRESENTATIONS**

Mayor Walby presented the following proclamations:

a. Blessing of the Fleet

**WHEREAS**, the Mayor and the Council of the City of St. Clair Shores wish to recognize the positive publicity generated by the **Annual Blessing of the Fleet**, and wish to acknowledge the role of the **Jefferson Yacht Club** in their sponsorship of this important annual event; and

**WHEREAS**, the members of the **Jefferson Yacht Club**, as well as the many other pleasure boaters who utilize and enjoy the extensive boating facilities available in the City, have helped to make the City of St. Clair Shores the Flagship of Lake St. Clair; and

**WHEREAS**, pleasure boating is one of the City's greatest recreational and economic assets;

**NOW, THEREFORE, BE IT RESOLVED**, that the Mayor and the Council of the City of St. Clair Shores do hereby proclaim June 2, 2012 as the **54<sup>th</sup> Annual Blessing of the Fleet Day** in the City of St. Clair Shores, and thank the many boaters who attend the event for their continuing patronage of St. Clair Shores recreational facilities and businesses.

b. 60<sup>th</sup> St. Clair Shores Memorial Day Parade

**WHEREAS**, the **St. Clair Shores Memorial Day Parade** is a time-honored tradition that commemorates the sacrifices made by our men and women serving in the United States of America Armed Services; and

**WHEREAS**, this year's Parade theme "**Freedom's Not Free**" is still reflected today as our service men and women continue to inspire and strengthen our Nation, going above and beyond the call of duty as part of the greatest military the world has ever known; and

**WHEREAS**, these courageous and selfless warriors have stepped forward to protect the Nation they love, fight for America's highest ideals, and show millions that a future of liberty is possible; and

**WHEREAS**, we Americans are grateful to all those who have put on our Nation's uniform and to their families, and acknowledge their great sacrifice as we remember our fallen heroes at the **60<sup>th</sup> St. Clair Shores Memorial Day Parade** and our hearts go out to those who can never forget - the families they left behind; and

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*WHEREAS, it is timely and proper to thank all of the volunteers for their efforts which allow this Memorial Day tradition to continue and again be enjoyed this year by 80,000 plus viewers;*

*NOW, THEREFORE BE IT RESOLVED, that the Mayor and Council of the City of St. Clair Shores, on behalf of all our residents, do hereby declare the **St. Clair Shores 60<sup>th</sup> Memorial Day Parade** a fitting tribute to the many faces of service and say thank you for ensuring this tradition continues each year.*

Cheryl Furdos and Kathy Travis from the Memorial Day Parade Committee stated that the concert planned by the US Navy Band has changed its location to Lakeview High School at 7:00 p.m.

Mayor Walby noted that Sunday's events start with a Memorial Service at Veterans Memorial Park at 9:00 a.m.

They have received donations that will be put toward lining the street with St. Clair Shores flags for the Parade.

c. HABA and Macomb County Chamber Donation to the Parade Committee

Grace Shore, Macomb County Chamber, presented the St. Clair Shores Memorial Day Parade Committee a check for \$1,900 on behalf of the Chamber and HABA raised at their recent Business expo in the City. David Rubello, Memorial Day Parade Committee, accepted the check on behalf of the Committee.

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

Jim Goodfellow, resident of St. Clair Shores, spoke regarding Item # 9. He stated he is concerned with the CDBG Grant funding. He told everyone to enjoy the Memorial Day Parade.

**4. REQUEST APPROVAL OF THE BOND AUTHORIZING ORDINANCE FOR CITY OF ST. CLAIR SHORES STATE REVOLVING SEWER PROJECT, WATER AND SEWER SYSTEM REVENUE BONDS, SERIES 2012**

Mr. Hughes introduced Pat McGow, Bond Counsel, who stated that on April 2, 2012, Council approved a notice of intent resolution for State Revolving Fund "SRF" bonds not to exceed \$800,000. Subsequent to that approval, we received a favorable bid for the project in the amount of \$555,000, and together with the costs of bond issuance brings the total bond size to \$585,000. We entered into this project with the intent to receive a grant of \$1,000,000, and to trade SRF interest rates of 2.5% for higher interest rates for Clean Water Initiative bonds sold by the county at 4.375% - 5%. When we receive the bond proceeds, we will instruct the County to reduce debt service on the existing bonds in the same amount.

Mr. McGow stated that this is the final step in a multi-step process. The City applied over a year ago and received approximately \$1mil in grants. The project will begin sometime this summer.

Mr. Caron asked if we are exchanging the County bonds we have now for 4.375% for the 2% bonds. Mr. McGow stated this does not affect the County bonds.

Ms. Rusie asked what projects this will be used for. Mr. Hughes replied this will be used for sanitary sewer projects along 10 and 13 Mile Roads.

**Motion by Caron, seconded by Rubino to approve a bond authorizing an ordinance for City of St. Clair Shores State Revolving Fund Sewer Project, Water and Sewer System Revenue Bonds, Series 2012, which reads as follows:**

**ORDINANCE NO. 2012-002  
City of St. Clair Shores State Revolving Fund Sewer Project,  
Water and Sewer System Revenue Bonds, Series 2012**

**AN ORDINANCE TO PROVIDE FOR THE ACQUISITION AND CONSTRUCTION OF ADDITIONS, EXTENSIONS AND IMPROVEMENTS TO THE WATER AND SEWER SYSTEM OF THE CITY OF ST. CLAIR SHORES; TO PROVIDE FOR THE ISSUANCE AND SALE OF JUNIOR LIEN REVENUE BONDS TO PAY THE COST THEREOF; TO PRESCRIBE THE FORM OF THE BONDS; TO PROVIDE FOR THE COLLECTION OF REVENUES FROM THE SYSTEM SUFFICIENT FOR THE PURPOSE OF PAYING THE COSTS OF OPERATION AND MAINTENANCE OF THE SYSTEM AND TO PAY THE PRINCIPAL OF AND INTEREST ON THE BONDS; TO PROVIDE FOR SECURITY FOR THE BONDS; TO PROVIDE FOR THE SEGREGATION AND DISTRIBUTION OF THE REVENUES; TO PROVIDE FOR THE RIGHTS OF THE HOLDERS OF THE BONDS IN ENFORCEMENT THEREOF; AND TO PROVIDE FOR OTHER MATTERS RELATING TO THE BONDS AND THE SYSTEM.**

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**THE CITY OF ST. CLAIR SHORES ORDAINS:**

**Section 1. Definitions.** Whenever used in this Ordinance, except when otherwise indicated by the context, the following terms shall have the following meanings:

- (a) "Act 94" means Act 94, Public Acts of Michigan, 1933, as amended.
- (b) "Authority" means the Michigan Finance Authority.
- (c) "Authorized Officers" means the Mayor, the City Manager, the City Clerk and the City Treasurer of the Issuer.
- (d) "Bonds" means the Series 2012 Bonds, together with any additional bonds heretofore or hereafter issued of equal standing with the Series 2012 Bonds.
- (e) "Engineers" means Anderson, Eckstein, Westrick, Inc., consulting engineers of Shelby Township, Michigan.
- (f) "Issuer" means the City of St. Clair Shores, County of Macomb, State of Michigan.
- (g) "Junior Lien Bonds" means the Series 2012 Bonds, and any additional bonds that are of equal standing with the Series 2012 Bonds, and junior in standing to the Senior Lien Bonds.
- (h) "MDEQ" means the Michigan Department of Environmental Quality.
- (i) "Outstanding Bonds" means the Issuer's Water and Sewer System Revenue Refunding Bonds, Series 2004, dated September 28, 2004, in the outstanding principal amount of \$970,000.
- (j) "Prior Ordinances" means, collectively, the ordinances adopted by the City Council authorizing the issuance of the Outstanding Bonds, including Ordinance Nos. 2004-01, as amended.
- (k) "Project" means the acquisition, construction, furnishing and equipping of improvements to the sewage disposal system of the City's Water and Sewer System, consisting generally of rehabilitation of sanitary sewer lines together with all necessary interests in land, rights of way and all appurtenances and attachments therefor, as described in the plans prepared by the Engineers and approved herein.
- (l) "Purchase Contract" means the Purchase Contract to be entered into between the Authority and the Issuer relating to the purchase by the Authority of the Series 2012 Bonds.
- (m) "Revenues" and "Net Revenues" means the revenues and net revenues of the System and shall be construed as defined in Section 3 of Act 94, including with respect to "Revenues", the earnings derived from the investment of moneys in the various funds and accounts established by the Prior Ordinances and this Ordinance, the proceeds of millage levied for water and sewer purposes pursuant to the City Charter and such other revenues which are or may be derived or specifically pledged to the operation of the System.
- (n) "Senior Lien Bonds" means the Outstanding Bonds and any additional bonds issued pursuant to the Prior Ordinances that are of equal standing and priority of lien with the Outstanding Bonds.
- (o) "Series 2012 Bonds" means the Water and Sewer System Junior Lien Revenue Bond, Series 2012, in the principal amount of not to exceed \$585,000 issued pursuant to this Ordinance.
- (p) "Sufficient Government Obligations" means direct obligations of the United States of America or obligations the principal and interest on which is fully guaranteed by the United States of America, not redeemable at the option of the issuer, the principal and interest payments upon which without reinvestment of the interest, come due at such times and in

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such amounts as to be fully sufficient to pay the interest as it comes due on the Bonds and the principal and redemption premium, if any, on the Bonds as it comes due whether on the stated maturity date or upon earlier redemption. Securities representing such obligations shall be placed in trust with a bank or trust company, and if any of the Bonds are to be called for redemption prior to

maturity, irrevocable instructions to call the Bonds for redemption shall be given to the paying agent.

- (q) "Supplemental Agreement" means the supplemental agreement among the Issuer, the Authority and MDEQ relating to the Series 2012 Bonds.
- (r) "System" means the entire Water and Sewer System of the Issuer, including the Project and all additions, extensions and improvements hereafter acquired.

**Section 2. Necessity; Approval of Plans and Specifications.** It is hereby determined to be a necessary public purpose of the Issuer to acquire and construct the Project in accordance with the plans and specifications prepared by the Engineers, which plans and specifications are hereby approved. The Project qualifies for the State Revolving Fund financing program being administered by the MDEQ and the Authority, whereby bonds of the Issuer are sold to the Authority and bear interest at a fixed rate of two and one-half percent (2.50%) per annum.

**Section 3. Costs; Useful Life.** The cost of the Project is estimated to be an amount not to exceed Five Hundred Eighty-Five Thousand Dollars (\$585,000), including the payment of incidental expenses as specified in Section 4 of this Ordinance, which estimate of cost is hereby approved and confirmed, and the period of usefulness of the Project is estimated to be not less than twenty (20) years.

**Section 4. Payment of Cost; Bonds Authorized.** To pay part of the cost of acquiring and constructing the Project, legal, engineering, financial and other expenses incident thereto and incident to the issuance and sale of the Series 2012 Bonds, the Issuer shall borrow the sum of not to exceed Five Hundred Eighty-Five Thousand Dollars (\$585,000), or such lesser amount as shall have been advanced to the Issuer pursuant to the Purchase Contract and the Supplemental Agreement, and issue the Series 2012 Bonds pursuant to the provisions of Act 94. The remaining cost of the Project, if any, shall be defrayed from Issuer funds on hand and legally available for such use.

Except as amended by or expressly provided to the contrary in this Ordinance, all of the provisions of the Prior Ordinances shall apply to the Series 2012 Bonds issued pursuant to this Ordinance, the same as though each of said provisions were repeated in this Ordinance in detail; the purpose of this Ordinance being to authorize the issuance of additional revenue bonds of subordinate lien with respect to the Outstanding Bonds to finance the cost of acquiring and constructing additions, extensions and improvements to the System, additional bonds of subordinate standing with the Outstanding Bonds for such purpose being authorized by the provisions of the Prior Ordinances, upon the conditions therein stated, which conditions have been fully met.

**Section 5. Issuance of Series 2012 Bonds; Details.** The Series 2012 Bonds of the Issuer, to be designated WATER AND SEWER SYSTEM JUNIOR LIEN REVENUE BOND, SERIES 2012, are authorized to be issued in the aggregate principal sum of not to exceed Five Hundred Eighty-Five Thousand Dollars (\$585,000) as finally determined by order of the MDEQ for the purpose of paying part of the cost of the Project, including the costs incidental to the issuance, sale and delivery of the Series 2012 Bonds. The Series 2012 Bonds shall be payable out of the Net Revenues, as set forth more fully in Section 8 hereof, provided that the Series 2012 Bonds shall be subordinate to the prior lien with respect to the Net Revenues in favor of the Outstanding Bonds and of any additional bonds of equal standing with the Outstanding Bonds hereafter issued. The Series 2012 Bonds shall be in the form of a single fully-registered, nonconvertible bond of the denomination of the full principal amount thereof, dated as of the date of delivery, payable in principal installments as finally determined by the order of the MDEQ at the time of sale of the Series 2012 Bonds and approved by the Authority and an Authorized Officer. Principal installments of the Series 2012 Bonds shall be payable on October 1 of the years 2013 through 2032, inclusive, or such other payment dates as hereinafter provided. Interest on the Series 2012 Bonds shall be payable on April 1 and October 1 of each year, commencing October 1, 2012 or on such other interest payment dates as hereinafter provided. Final

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determination of the principal amount of and interest on the Series 2012 Bonds and the payment dates and amounts of principal installments of the Series 2012 Bonds shall be evidenced by execution of the Purchase Contract and each of the Authorized Officers is authorized and directed to execute and deliver the Purchase Contract when it is in final form and to make the determinations set forth above; provided, however, that the first principal installment shall be due no earlier than April 1, 2013 and the final principal installment shall be due no later than October 1, 2033 and that the total principal amount shall not exceed \$585,000.

The Series 2012 Bonds shall bear interest at a rate of two and one-half percent (2.50%) per annum on the par value thereof or such other rate as evidenced by execution of the Purchase Contract, but in any event not to

exceed the rate permitted by law, and any Authorized Officers as shall be appropriate shall deliver the Series 2012 Bonds in accordance with the delivery instructions of the Authority.

The principal amount of the Series 2012 Bonds is expected to be drawn down by the Issuer periodically, and interest on principal amount shall accrue from the date such principal amount is drawn down by the Issuer.

The Series 2012 Bonds shall not be convertible or exchangeable into more than one fully-registered bond. Principal of and interest on the Series 2012 Bonds shall be payable as provided in the Series 2012 Bond form in this Ordinance.

The Series 2012 Bonds shall be subject to optional redemption by the Issuer with the prior written approval of the Authority and on such terms as may be required by the Authority.

The City Clerk shall record on the registration books payment by the Issuer of each installment of principal or interest or both when made and the cancelled checks or other records evidencing such payments shall be returned to and retained by the City Clerk.

Upon payment by the Issuer of all outstanding principal of and interest on the Series 2012 Bonds, the Authority shall deliver the Series 2012 Bonds to the Issuer for cancellation.

**Section 6. Execution of Series 2012 Bonds.** The Series 2012 Bonds shall be signed by the manual or facsimile signature of the Mayor and countersigned by the manual or facsimile signature of the City Clerk and shall have the corporate seal of the Issuer or a facsimile thereof impressed thereon. The Series 2012 Bonds bearing the manual signatures of the Mayor and the City Clerk sold to the Authority shall require no further authentication.

**Section 7. Registration and Transfer.** Any Bond may be transferred upon the books required to be kept pursuant to this section by the person in whose name it is registered, 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 Issuer 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 payment by the bondholder requesting the transfer of any tax or other governmental charge required to be paid with respect to the transfer. The Issuer shall not be required (i) to issue, register the transfer of or exchange any Bond during a period beginning at the opening of business 15 days before the day of the giving of a notice of redemption of Bonds selected for redemption as described in the form of Series 2012 Bonds contained in Section 13 of this Ordinance and ending at the close of business on the day of that giving of notice, or (ii) to register the transfer of or exchange any Bond so selected for redemption in whole or in part, except the unredeemed portion of Bonds being redeemed in part. The Issuer shall give the transfer agent notice of call for redemption at least 20 days prior to the date notice of redemption is to be given.

The transfer agent shall keep or cause to be kept at its principal office sufficient books for the registration and transfer of the Bonds, which shall at all times be open to inspection by the Issuer; and upon presentation for such purpose the transfer agent shall under such reasonable regulations as it may prescribe transfer or cause to be transferred on said books Bonds as hereinbefore provided.

If any Bond shall become mutilated, the Issuer, at the expense of the holder of the Bond, shall execute, and the transfer agent shall authenticate and deliver, a new Bond of like tenor in exchange and substitution for the mutilated Bond, upon surrender to the transfer agent of the mutilated Bond. If any Bond issued under

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this Ordinance shall be lost, destroyed or stolen, evidence of the loss, destruction or theft may be submitted to the transfer agent and, if this evidence is satisfactory to both and indemnity satisfactory to the transfer agent shall be given, and if all requirements of any applicable law including Act 354, Public Acts of Michigan, 1972, as amended ("Act 354"), being sections 129.131 to 129.135, inclusive, of the Michigan Compiled Laws have been met, the Issuer, at the expense of the owner, shall execute, and the transfer agent shall thereupon authenticate and deliver, a new Bond of like tenor and bearing the statement required by Act 354, or any applicable law hereafter enacted, in lieu of and in substitution for the Bond so lost, destroyed or stolen. If any such Bond shall have matured or shall be about to mature, instead of issuing a substitute Bond the transfer agent may pay the same without surrender thereof.

**Section 8. Payment of Series 2012 Bonds; Security; Priority of Lien.** Principal of and interest on the Series 2012 Bonds shall be payable from the Net Revenues. There is hereby recognized the statutory lien upon the whole of the Net Revenues created by this Ordinance which shall be a lien that is junior and subordinate to the lien of the Senior Lien Bonds created by the Prior Ordinances, to continue until payment in full of the principal of and interest on all Bonds payable from the Net Revenues, or until sufficient cash or Sufficient Government Obligations have been deposited in trust for payment in full of all Bonds of a series then outstanding, principal and interest on such Bonds to maturity, or, if called for redemption, to the date fixed for redemption together with the amount of the redemption premium, if any. Upon deposit of cash or Sufficient Government Obligations, as provided in the previous sentence, the statutory lien shall be terminated with respect to that series of Bonds, the holders of that series shall have no further rights under the Prior Ordinances or this Ordinance except for payment from the deposited funds, and the Bonds of that series shall no longer be considered to be outstanding under the Prior Ordinances or this Ordinance.

**Section 9. Management; Fiscal Year.** The operation, repair and management of the System and the acquiring and constructing of the Project shall continue to be under the supervision and control of the Issuer. The Issuer may employ such person or persons in such capacity or capacities as it deems advisable to carry on the efficient management and operation of the System. The Issuer may make such rules and regulations as it deems advisable and necessary to assure the efficient management and operation of the System. The System shall be operated on the basis of an operating year which shall coincide with the Issuer's fiscal year.

**Section 10. Rates and Charges; No Free Service.** The rates and charges for service furnished by the System and the methods of collection and enforcement of the collection of the rates shall be those in effect on the date of adoption of this Ordinance. No free service or use of the System, or service or use of the System at less than cost, shall be furnished by the System to any person, firm, or corporation, public or private, or to any public agency or instrumentality, including the Issuer. The proceeds of millage levied for water and sewer purposes pursuant to the City Charter are specifically pledged to the operation of the System.

**Section 11. Funds and Accounts; Flow of Funds; Junior Lien Bond and Interest Redemption Fund.** The funds and accounts established by the Prior Ordinances are hereby continued, provided that a Junior Lien Bond and Interest Redemption Fund shall be established as follows:

There shall be established and maintained a separate depository fund designated "Junior Lien Bond and Interest Redemption Fund" (the "Junior Lien Fund"), the moneys on deposit therein from time to time to be used solely for the purpose of paying the principal of, redemption premiums (if any) and interest on the Series 2012 Bonds, and any bonds of equal standing with the Series 2012 Bonds.

Out of the Net Revenues remaining in the Receiving Fund after provision has been made for the Operation and Maintenance Fund and only after provision has been made for the Redemption Fund, there shall be set aside monthly in the Junior Lien Fund a sum proportionately sufficient to provide for the payment when due of the current principal of and interest on the Series 2012 Bonds, less any amount in the Junior Lien Fund representing accrued interest on the Series 2012 Bonds. Commencing on October 1, 2012, the amount set aside each month for interest on the Series 2012 Bonds shall be 1/6 of the total amount of interest on the Series 2012 Bonds next coming due. The amount set aside each month for principal on the Series 2012 Bonds, commencing October 1, 2012, shall be 1/12 of the amounts of principal next coming due. If there is any deficiency in the amounts previously set aside, that deficiency shall be added to the next succeeding months' requirements.

No moneys shall be set aside and credited to the Junior Lien Fund unless and until the Issuer is current with respect to all required transfers to all other funds under the Prior Ordinances and there is no default in any payments or requirements under the Prior Ordinances.

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If for any reason there is a failure to make such quarterly deposit in the amounts required, then the entire amount of the deficiency shall be set aside and deposited in the Junior Lien Bond Redemption Account out of the Revenues first received thereafter which are not required by this Ordinance to be deposited in the Operation and Maintenance Account or the Bond and Interest Redemption Fund or the Junior Lien Bond Redemption Account, which amount shall be in addition to the regular monthly deposit required during such succeeding month or months.

**Section 12. Bond Proceeds.** The proceeds of the sale of the Series 2012 Bonds as received by the Issuer shall be deposited in a separate account in a bank or banks qualified to act as depository of the proceeds of sale under the provisions of Section 15 of Act 94 designated WATER AND SEWER SYSTEM JUNIOR LIEN REVENUE BONDS CONSTRUCTION FUND (the "Construction Fund"). Moneys in the Construction Fund shall be applied solely in payment of the cost of the Project and any engineering, legal and other expenses incident thereto and to the financing thereof.

**Section 13. Bond Form.** The Series 2012 Bonds shall be in substantially the following form with such changes or completion as necessary or appropriate to give effect to the intent of this Ordinance:

UNITED STATES OF AMERICA  
STATE OF MICHIGAN  
COUNTY OF MACOMB  
  
CITY OF ST. CLAIR SHORES  
  
WATER AND SEWER SYSTEM  
JUNIOR LIEN REVENUE BOND, series 2012

REGISTERED OWNER: Michigan Finance Authority

PRINCIPAL AMOUNT: \_\_\_\_\_ Dollars (\$\_\_\_\_,000)

DATE OF ORIGINAL ISSUE: \_\_\_\_\_, 2012

The CITY OF ST. CLAIR SHORES, County of Macomb, State of Michigan (the "City"), for value received, hereby promises to pay, primarily out of the hereinafter described Net Revenues of the City's Water and Sewer System (hereinafter defined), to the Michigan Finance Authority (the "Authority"), or registered assigns, the Principal Amount shown above, or such portion thereof as shall have been advanced to the City pursuant to a Purchase Contract between the City and the Authority and a Supplemental Agreement by and among the City, the Authority and the State of Michigan acting through the Department of Environmental Quality, in lawful money of the United States of America, unless prepaid or reduced prior thereto as hereinafter provided.

During the time the Principal Amount is being drawn down by the City under this bond, the Authority will periodically provide to the City a statement showing the amount of principal that has been advanced and the date of each advance, which statement shall constitute prima facie evidence of the reported information; provided that no failure on the part of the Authority to provide such a statement or to reflect a disbursement or the correct amount of a disbursement shall relieve the City of its obligation to repay the outstanding Principal Amount actually advanced, all accrued interest thereon, and any other amount payable with respect thereto in accordance with the terms of this bond.

The Principal Amount shall be payable on the dates and in the annual principal installment amounts set forth on the Schedule attached hereto and made a part hereof, as such Schedule may be adjusted if less than \$\_\_\_\_\_ is disbursed to the City or if a portion of the Principal Amount is prepaid as provided below, with interest on said principal installments from the date each said installment is delivered to the holder hereof until paid at the rate of two and one-half percent (2.50%) per annum. Interest is first payable on October 1, 2012, and semiannually thereafter on the first day of April and October of each year, as set forth in the Purchase Contract.

Notwithstanding any other provision of this Bond, so long as the Authority is the owner of this Bond, (a) this Bond is payable as to principal, premium, if any, and interest at The Bank of New York Mellon Trust Company, N.A. or at such other place as shall be designated in writing to the City by the Authority (the "Authority's Depository"); (b) the City agrees that it will deposit with the Authority's Depository payments of the principal of, premium, if any, and interest on this Bond in immediately available funds by 12:00 noon at least five business days prior to the date on which any such payment is due whether by maturity, redemption

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or otherwise; in the event that the Authority's Depository has not received the City's deposit by 12:00 noon on the scheduled day, the City shall immediately pay to the Authority as invoiced by the Authority an amount to recover the Authority's administrative costs and lost investment earnings attributable to that late payment; and (c) written notice of any redemption of this Bond shall be given by the City and received by the Authority's Depository at least 40 days prior to the date on which such redemption is to be made.

**Additional Interest**

In the event of a default in the payment of principal or interest hereon when due, whether at maturity, by redemption or otherwise, the amount of such default shall bear interest (the "additional interest") at a rate equal to the rate of interest which is two percent above the Authority's cost of providing funds (as determined by the Authority) to make payment on the bonds of the Authority issued to provide funds to purchase this bond but in no event in excess of the maximum rate of interest permitted by law. The additional interest shall continue to accrue until the Authority has been fully reimbursed for all costs incurred by the Authority (as determined by the Authority) as a consequence of the City's default. Such additional interest shall be payable on the interest payment date following demand of the Authority. In the event that (for reasons other than the default in the payment of any municipal obligation purchased by the Authority) the investment of amounts in the reserve account established by the Authority for the bonds of the Authority issued to provide funds to purchase this bond fails to provide sufficient available funds (together with any other funds which may be made available for such purpose) to pay the interest on outstanding bonds of the Authority issued to fund such account, the City shall and hereby agrees to pay on demand only the City's pro rata share (as determined by the Authority) of such deficiency as additional interest on this bond.

For prompt payment of principal and interest on this bond, the City has irrevocably pledged the revenues of the Water and Sewer System of the City, including all appurtenances, extensions and improvements thereto (the "Water and Sewer System"), after provision has been made for reasonable and necessary expenses of operation, maintenance and administration (the "Net Revenues"), and a statutory lien thereon is hereby recognized and created which is junior in standing and priority of lien as to the prior lien of the City's Water and Sewer System Revenue Refunding Bonds, Series 2004 (the "Outstanding Bonds") of the City and of any additional bonds of the City of equal standing and priority of lien with the Outstanding Bonds.

This bond is a single, fully-registered, non-convertible bond in the principal sum indicated above issued pursuant to Ordinances Nos. 2004-01, as amended, and \_\_\_ duly adopted by the City Council of the City (the "Ordinances"), and under and in full compliance with the Constitution and statutes of the State of Michigan, including specifically Act 94, Public Acts of Michigan, 1933, as amended, for the purpose of paying part of the cost of acquiring and constructing improvements to the Water and Sewer System of the City.

For a complete statement of the revenues from which and the conditions under which this bond is payable, a statement of the conditions under which additional bonds of superior and equal standing may hereafter be issued and the general covenants and provisions pursuant to which this bond is issued, reference is made to the Ordinances.

This bond is a self-liquidating bond, payable, both as to principal and interest, solely and only from the Net Revenues of the Water and Sewer System. The principal of and interest on this bond are secured by the statutory lien hereinbefore mentioned.

The City has covenanted and agreed, and does hereby covenant and agree, to fix and maintain at all times while any bonds payable from the Net Revenues of the Water and Sewer System shall be outstanding, such rates for service furnished by the Water and Sewer System as shall be sufficient to provide for payment of the interest upon and the principal of this bond and any bonds of equal standing with this bond, the Outstanding Bonds and any additional bonds of equal standing with the Outstanding Bonds, as and when the same shall become due and payable, and to maintain a bond redemption fund (including, except for bonds of this issue, a bond reserve account) therefor, to provide for the payment of expenses of administration and operation and such expenses for maintenance of the Water and Sewer System as are necessary to preserve the same in good repair and working order, and to provide for such other expenditures and funds for the Water and Sewer System as are required by the Ordinance and the Prior Ordinances.

Principal installments of this bond are subject to prepayment by the City prior to maturity only with the prior written consent of the Authority and on such terms as may be required by the Authority.



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This bond is transferable only upon the books of the City by the registered owner in person or 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 thereupon a new 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 Ordinance, and upon payment of the charges, if any, therein prescribed.

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 have been done and performed in regular and due time and form as required by law.

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 executed with the manual or facsimile signatures of its Mayor and its City Clerk and the corporate seal of the City to be impressed or imprinted hereon, all as of the Date of Original Issue.

CITY OF ST. CLAIR SHORES

By Kip C. Walby Its Mayor

(Seal)

Countersigned:

By Mary A. Kotowski, Its City Clerk

DEQ Project No.: 5360-01

DEQ Approved Amt: \$ \_\_\_\_\_

SCHEDULE A

Based on the schedule provided below unless revised as provided in this paragraph, repayment of the principal of the bond shall be made until the full amount advanced to the City is repaid. In the event the Order of Approval issued by the Department of Environmental Quality (the "Order"), approves a principal amount of assistance less than the amount of the bond delivered to the Authority, the Authority shall only disburse principal up to the amount stated in the Order. In the event (1) that the payment schedule approved by the City and described below provides for payment of a total principal amount greater than the amount of assistance approved by the Order or (2) that less than the principal amount of assistance approved by the Order is disbursed to the City by the Authority, or (3) that any portion of the principal amount of assistance approved by the Order and disbursed to the City is forgiven pursuant to the Order, the Authority shall prepare a new payment schedule which shall be effective upon receipt by the City.

<u>Maturity Date</u>	<u>Principal Amount</u>
October 1, 2013	\$25,000
October 1, 2014	25,000
October 1, 2015	25,000
October 1, 2016	25,000
October 1, 2017	25,000
October 1, 2018	25,000
October 1, 2019	25,000
October 1, 2020	25,000
October 1, 2021	30,000
October 1, 2022	30,000
October 1, 2023	30,000
October 1, 2024	30,000
October 1, 2025	30,000
October 1, 2026	30,000
October 1, 2027	30,000
October 1, 2028	35,000
October 1, 2029	35,000
October 1, 2030	35,000
October 1, 2031	35,000
October 1, 2032	35,000

Agenda Item 4 cont'd.

Interest on the bond shall accrue on that portion of principal disbursed by the Authority to the City which has not been forgiven pursuant to the Order from the date such portion is disbursed, until paid, at the rate of 2.50% per annum, payable October 1, 2012, and semi-annually thereafter.

The City agrees that it will deposit with The Bank of New York Mellon Trust Company, N.A., or at such other place as shall be designated in writing to the City by the Authority (the "Authority's Depository") payments of the principal of, premium, if any, and interest on this Bond in immediately available funds by 12:00 noon at least five business days prior to the date on which any such payment is due whether by maturity, redemption or otherwise. In the event that the Authority's Depository has not received the City's deposit by 12:00 noon on the scheduled day, the City shall immediately pay to the Authority as invoiced by the Authority an amount to recover the Authority's administrative costs and lost investment earnings attributable to that late payment.

**Section 14. Bondholders' Rights; Receiver.** The holder or holders of the Bonds representing in the aggregate not less than twenty per cent (20%) of the entire principal amount thereof then outstanding, may, by suit, action, mandamus or other proceedings, protect and enforce the statutory lien upon the Net Revenues of the System, and may, by suit, action, mandamus or other proceedings, enforce and compel performance of all duties of the officers of the Issuer, including the fixing of sufficient rates, the collection of Revenues, the proper segregation of the Revenues of the System and the proper application thereof. The statutory lien upon the Net Revenues, however, shall not be construed as to compel the sale of the System or any part thereof.

If there is a default in the payment of the principal of or interest upon the Series 2012 Bonds, any court having jurisdiction in any proper action may appoint a receiver to administer and operate the System on behalf of the Issuer and under the direction of the court, and by and with the approval of the court to perform all of the duties of the officers of the Issuer more particularly set forth herein and in Act 94.

The holder or holders of the Series 2012 Bonds shall have all other rights and remedies given by Act 94 and law, for the payment and enforcement of the Series 2012 Bonds and the security therefor.

**Section 15. Additional Bonds.** The Issuer may issue additional bonds of equal standing with the Series 2012 Bonds for the following purposes and subject to the following conditions:

(a) To complete the Project in accordance with the plans and specifications therefor. Such bonds shall not be authorized unless the engineers in charge of construction shall execute a certificate evidencing the fact that additional funds are needed to complete the Project in accordance with the plans and specifications therefor and stating the amount that will be required to complete the Project. If such certificate shall be so executed and filed with the Issuer, it shall be the duty of the Issuer to provide for and issue additional revenue bonds in the amount stated in said certificate to be necessary to complete the Project in accordance with the plans and specifications plus an amount necessary to issue such bonds or to provide for part or all of such amount from other sources.

(b) For subsequent repairs, extensions, enlargements and improvements to the System or for subsequent repairs, extensions, enlargements and improvements to the System and for the purpose of refunding part or all of the Junior Lien Bonds then outstanding and paying costs of issuing such additional Junior Lien Bonds. Junior Lien Bonds for such purposes shall not be issued pursuant to this subparagraph (b) unless the Adjusted Net Revenues of the System for the then last two (2) preceding twelve-month operating years or the Adjusted Net Revenues for the last preceding twelve-month operating year, if the same shall be lower than the average, shall be equal to at least one hundred percent (100%) of the maximum amount of principal and interest thereafter maturing in any operating year on the then outstanding Senior Lien Bonds, Junior Lien Bonds and on the additional Bonds then being issued. If the additional Junior Lien Bonds are to be issued in whole or in part for refunding outstanding Junior Lien Bonds, the annual principal and interest requirements shall be determined by deducting from the principal and interest requirements for each operating year the annual principal and interest requirements of any Junior Lien Bonds to be refunded from the proceeds of the additional Junior Lien Bonds. For purposes of this subparagraph (b) the Issuer may elect to use as the last preceding operating year any operating year ending not more than sixteen months prior to the date of delivery of the additional Junior Lien Bonds and as the next to the last preceding operating year, any operating year ending not more than twenty-eight months prior to the date of delivery of the additional Junior Lien Bonds. Determination by the Issuer as to existence of conditions permitting the issuance of additional Junior Lien Bonds shall be conclusive. No additional Junior Lien Bonds of equal standing as to the Net Revenues of the System shall be issued

**Agenda Item 4 cont'd.**

pursuant to the authorization contained in this subparagraph if the Issuer shall then be in default in making its required payments to the Operation and Maintenance Fund or the Redemption Fund.

(c) For refunding a part or all of the Junior Lien Bonds then outstanding and paying costs of issuing such additional Junior Lien Bonds including deposits which may be required to be made to the bond reserve account for such Junior Lien Bonds. No additional Junior Lien Bonds shall be issued pursuant to this subsection unless the maximum amount of principal and interest maturing in any operating year after giving effect to the refunding shall be less than the maximum amount of principal and interest maturing in any operating year prior to giving effect to the refunding.

**Section 16. Negotiated Sale; Application to MDEQ and Authority; Execution of Documents.** The Issuer determines that it is in the best interest of the Issuer to negotiate the sale of the Series 2012 Bonds to the Authority because the State Revolving Fund financing program provides significant interest savings to the Issuer compared to competitive sale in the municipal bond market. The Authorized Officers are hereby authorized to make application to the Authority and to the MDEQ for placement of the Series 2012 Bonds with the Authority. The actions taken by the Authorized Officers with respect to the Series 2012 Bonds prior to the adoption of this Ordinance are ratified and confirmed. The Authorized Officers are authorized to execute and deliver the Purchase Contract, the Supplemental Agreement and the Issuer's Certificate. Any Authorized Officers is further authorized to execute and deliver such contracts, documents and certificates as are necessary or advisable to qualify the Series 2012 Bonds for the State Revolving Fund. Prior to the delivery of the Series 2012 Bonds to the Authority, any Authorized Officer is hereby authorized to make such changes to the form of the Series 2012 Bonds contained in Section 13 of this Ordinance as may be necessary to conform to the requirements of Act 227, Public Acts of Michigan 1985, as amended ("Act 227"), including, but not limited to changes in the principal maturity and interest payment dates and references to additional security required by Act 227.

**Section 17. Covenant Regarding Tax Exempt Status of the Bonds.** The Issuer shall, to the extent permitted by law, take all actions within its control necessary to maintain the exemption of the interest on the Series 2012 Bonds from general federal income taxation (as opposed to any alternative minimum or other indirect taxation) 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 expenditure and investment of Series 2012 Bonds proceeds and moneys deemed to be Bond proceeds.

**Section 18. Approval of Bond Counsel.** The representation of the Issuer by Miller, Canfield, Paddock and Stone, P.L.C. ("Miller Canfield"), as bond counsel is hereby approved, notwithstanding the representation by Miller Canfield of the Authority in connection with the State Revolving Fund program which may include advising the Authority with respect to this borrowing.

**Section 19. Approval of Bond Details.** The Authorized Officers are each hereby authorized to adjust the final bond details set forth herein to the extent necessary or convenient to complete the transaction authorized herein, and in pursuance of the foregoing is authorized to exercise the authority and make the determinations authorized pursuant to Section 7a(1)(c) of Act 94, including but not limited to determinations regarding interest rates, prices, discounts, maturities, principal amounts, denominations, dates of issuance, interest payment dates, redemption rights, the place of delivery and payment, and other matters, provided that the principal amount of Series 2012 Bonds issued shall not exceed the principal amount authorized in this Ordinance, the interest rate per annum on the Series 2012 Bonds shall not exceed two and one-half percent (2.50%) per annum, and the Series 2012 Bonds shall mature in not more than twenty (20) annual installments.

**Section 20. Savings Clause.** All ordinances, resolutions or orders, or part thereof, in conflict with the provisions of this Ordinance are, to the extent of such conflict, repealed.

**Section 21. Severability; Paragraph Headings; and Conflict.** If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Ordinance. The paragraph headings in this Ordinance are furnished for convenience of reference only and shall not be considered to be part of this Ordinance.

**Section 22. Publication and Recordation.** This Ordinance shall be published in full in the *St. Clair Shores Sentinel*, a newspaper of general circulation in the Issuer qualified under State law to publish legal notices, promptly after its adoption, and shall be recorded in the Ordinance Book of the Issuer and such record authenticated by the signatures of the Mayor and the City Clerk.

**Agenda Item 4 cont'd.**

**Section 23. Effective Date.** This Ordinance shall be effective upon its adoption and publication. This ordinance was published on June 6, 2012.

**ADOPTED AND SIGNED THIS 21st day of May, 2012.**

**CITY OF ST. CLAIR SHORES**

**By Kip C. Walby, It's Mayor**

(Seal)

**Countersigned:**

**By Mary A. Kotowski, It's City Clerk**

**I HEREBY CERTIFY that the foregoing constitutes a true and complete copy of an Ordinance duly adopted by the City Council of the City of St. Clair Shores, County of Macomb, State of Michigan, at a regular meeting held on the 21st day of May, 2012, 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, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.**

**I further certify that the following Members were present at said meeting: Mayor Walby, Council Members, Caron, Rusie, Rubino, Tiseo, and Vitale, and that the following Members were absent: Frederick**

**I further certify that Member Caron moved for adoption of said Ordinance and that said motion was supported by Member Rubino.**

**I further certify that the following Members voted for adoption of said Ordinance: Council Members Caron, Rusie, Rubino, Tiseo, Vitale and Mayor Walby, and that the following Members voted against adoption of said Ordinance: None**

**I further certify that said Ordinance has been recorded in the Ordinance Book and that such recording has been authenticated by the signatures of the Mayor and the City Clerk.**

**Mary A. Kotowski, City Clerk**

Ayes: All – 6  
Absent: Frederick

**5. REQUEST FROM MACOMB CHAMBER MUSIC SOCIETY TO HOLD ARTISTS IN WAHBY PARK CHAMBER MUSIC SERIES EVERY MONDAY EVENING AT 7:00 P.M. DURING JULY AND AUGUST 2012**

Jean Snyder, Chamber Chairperson, stated the concerts will begin on July 9. Ms. Snyder explained this is their fourth year holding the concerts once a week on Mondays with a rain day of Tuesday, with a classic ensemble performing. There will not be a rain day on Tuesday, August 7<sup>th</sup>, due to it being the State Primary Election Day, and there will be two precincts at this location.

Ms. Rusie asked how they were advertising. Ms. Snyder replied by word of mouth, The Sentinel Newspaper, and advertisers. It is already on the City's Facebook Page.

**Motion by Rusie, seconded by Rubino to approve the request from the Macomb Chamber Music Society and Shorewood Kiwanis to hold the Classical Concerts at Wahby Park nine Mondays in a row, July 9 through August 27, 2012, with rain days on Tuesdays with the exception of Tuesday August 7, due to State Primary Election. Petitioner to confirm an August 8, 2012 rain day as a backup after checking with Blossom Heath.**

Ayes: All – 6  
Absent: Frederick

~~6. REQUEST FROM FIRST UNITED CHURCH AND NEW BIRTH CHURCH OF GOD IN CHRIST TO HOLD "TAKING IT TO THE STREET YOUTH JAM" ON SATURDAY, AUGUST 18, 2012 FROM 11:00 A.M. TO 8:00 P.M.~~

This item was rescheduled to June 4, 2012.

7. REQUEST FOR A NEW 2012 CLASS C LICENSED BUSINESS W.L. MARCHIORI CATERING CO., INC. AT THE ASSUMPTION CULTURAL CENTER, ST. CLAIR SHORES, MI 48080 MACOMB COUNTY

Anthony Marchiori, W. L. Marchiori Catering Co., Inc., was present before Council to request a new 2012 Class C licensed business, at the Assumption Cultural Center in St. Clair Shores. The Center has been holding non-profit events, and the customers have to apply themselves for a special one day liquor permit. Marchiori Catering has been doing this business in St. Clair Shores for 25 years. If he cannot obtain this license, there are limitations with his service to his customers. There are also insurance issues. Mr. Marchiori added it has been confirmed that their capacity is in excess of the required 150, which is needed to meet the City's Liquor License Ordinance. There are six on-premise licenses available. Also, many of his customers do not have the time to apply for the licenses.

Mr. Tiseo asked how this is different from a wedding. Mr. Marchiori stated a wedding is not non-profit and his concern is for the for profit business events. There is also a different type of insurance for a wedding than a non-profit event. Owning a banquet facility without a liquor license would be an extreme challenge.

Mr. Vitale asked what the lowest number of liquor licenses was that the City has had. Mayor Walby replied he thought that we were at the lowest number presently which is six. After the 2010 Census on premise licenses are reallocated based on current population for unissued on premise licenses.

Ms. Rusie stated she thought we lost two with the new census because the census came in lower than before. Mayor Walby replied that is what brought us down to six.

Mr. Rubino asked if someone could bring one in from another city. Ms. Kotowski replied that one could be brought in from anywhere in Macomb County.

Mr. Caron asked Mr. Marchiori that if Council grants the license and he relocates outside the City, would he transfer the license back to the City or another business in the City. He replied he would not have a problem agreeing to this condition.

Ms. Rusie stated these licenses are not unlimited and would like to see them going to regular business, not banquet facilities. She stated that it might be more inconvenient for Mr. Marchiori's customers, but the City does not have many to give out. Marchiori Catering runs a good business that is not her concern. She is against giving it to a catering business leasing space. This is a limited asset to the City, and there are other ways for businesses to obtain licenses in the City. Three have been approved since she has been on Council. Approving this request would affect our ability to issue a license above or below our 150 seating requirement. This may be more inconvenient for his business, but she would not vote for this request.

Joan DeRonne, Assumption Greek Community Center Administrator, stated that Marchiori Catering has done a wonderful job, and events at their facility have increased because of Marchiori Catering. Applying for a non-profit one day event license takes a great deal of time and has become cumbersome.

Mr. Vitale stated that bars lease space from building owners, so he did not see the difference in this business leasing from the Cultural Center as a banquet hall.

Mr. Rubino stated he concurs with the comments made. They have played by the rules, and when everything is done that Council asks, and it is done right, this request should be approved. Mr. Rubino advised Council that they should also think about changing the standard for the remaining licenses.

Mayor Walby stated that each on premise license request should stand on their own merits.

Mr. Tiseo stated that he was happy to see that if Marchiori Catering left the City, they would leave the license here.

Mr. Marchiori responded that he is open to the public; he has worked with Memorial Day Parade fundraisers, Mother's Day brunches, and many others. He added that customers with weddings and non-profit organizations want his business, but because he doesn't have a license, they go to his competitors.

Mr. Caron stated that Mr. Marchiori needs this license to be competitive in the industry.

**Agenda Item 7 cont'd.**

Mr. Vitale stated that the quality and appearance of the hall is first rate, and he would like them to continue the next 25 years.

**Motion by Vitale, seconded by Caron that the application from W. L. Marchiori Catering Co., Inc. for the following license: 2012 Class C Licensed Business to be located at the Assumption Cultural Center, 21800 Marter Road, St. Clair Shores MI 48080, Macomb County be considered for APPROVAL. It is the consensus of this body that it RECOMMENDS this application to be considered for approval by the Michigan Liquor Control Commission.**

Ayes: Vitale, Caron, Rubino, Tiseo  
Nays: Rusie, Walby  
Absent: Frederick

**Motion by Vitale, seconded by Caron that W. L. Marchiori Catering Co., Inc. enters into an agreement regarding issuance of Class C Liquor License with the City.**

Ayes: Vitale, Caron, Rubino, Tiseo  
Nays: Rusie, Walby  
Absent: Frederick

**8. REQUEST TO APPEAL THE WATER RESOURCES & ADVISORY BOARD DECISION ON CASE 24-2011 DAVID PILARSKI, 30030 JEFFERSON, HAD APPLIED TO EXTEND DOCK 100' MOVING HOIST WITH DOCK**

On April 3, 2012, the Water Resources & Advisory Board denied the petitioner's request to extend his dock 100' moving the hoist with the dock. Mr. Pilarski, petitioner, stated that his request was denied following his acquisition of the necessary permits, from both the Department of Environmental Quality and the Army Corps of Engineers. The appeal lies in the inconsistency with which the Water Advisory Board handled the request. The Water Advisory Board had tabled the issue during the November 2011 meeting, with the promise that they would meet with either the Army Corps or DEQ prior to a second review of the request. Though the DEQ told Mr. Pilarski that there was no navigational or environmental hazard with his request, the board proceeded to deny it with a split vote, without following through on the previously promised meeting. Mr. Pilarski feels there is serious confusion concerning the details of his request.

Mr. Pilarski stated he obtained all the necessary permits.

Mayor Walby asked how far the private park to the north extended. Mr. Pilarski replied more than 50 feet, and it is a solid mass. People can launch boats off there.

Mr. Vitale stated that there was a tragedy a few years ago when a snow mobile ran into the Rio Vista Pier. He asked if the coloring for the support on the docks be something other than white. White seems to blend in and disappear when it snows. Mr. Pilarski replied he would be happy to paint them a different color or put reflectors on them for safety.

Mr. Rubino stated that in the Water Resources Meeting minutes, it was noted that there was a neighbor that had issues about this item being approved, but doesn't know what they are. Mr. Pilarski explained that years ago the neighbor wanted to move his dock out further and he wasn't allowed to. The DEQ and Army Corps of Engineers approved this request.

Mr. Tiseo asked Mr. Pilarski how far out he docked his boat? Mr. Pilarski replied probably about 200 feet. The water doesn't touch the break wall there.

Mr. Ihrie stated that in the Water Resources minutes Mr. Pilarski was asked if he would put lights on his dock if this was approved. Mr. Pilarski replied he already did but does not have them on all night.

**Motion by Rubino, seconded by Vitale to approve the appeal of the Water Resources & Advisory Board decision of Lake Case #24-2011, at 30030 Jefferson and allow the petitioner to extend the dock 100' moving the hoist with the dock; subject to putting protective cover on hydraulics, lights and reflectors on dock.**

Ayes: All – 6  
Absent: Frederick

**9. REQUEST TO APPROVE THE 2012-13 CDBG ALLOCATION BUDGET (TABLED FROM 5/7/12)**

The preliminary CDBG 2012-13 Budget was revised as directed by City Council. Liz Koto, City Planner, explained the revisions to this budget.

**Motion by Rubino, seconded by Rusie to approve the request to approve the 2012-13 CDBG allocation budget as follows:**

<b>Activity Name</b>	<b>Budget</b>	<b>Carryover</b>	<b>Total Budget</b>
<b>Homeowner Rehabilitation</b>	<b>200,000.00</b>		<b>200,000.00</b>
<b>Senior Activity Center Operations</b>	<b>100,000.00</b>		<b>100,000.00</b>
<b>Senior Chore</b>	<b>8,500.00</b>		<b>8,500.00</b>
<b>Care House</b>	<b>3,200.00</b>		<b>3,200.00</b>
<b>Hope Center</b>	<b>3,000.00</b>		<b>3,000.00</b>
<b>Warming Center</b>	<b>1,500.00</b>		<b>1,500.00</b>
<b>Wigs 4 Kids</b>	<b>2,400.00</b>		<b>2,400.00</b>
<b>Turning Point</b>	<b>3,000.00</b>		<b>3,000.00</b>
<b>Lighthouse Outreach</b>	<b>1,000.00</b>		<b>1,000.00</b>
<b>Care Community Net</b>	<b>1,000.00</b>		<b>1,000.00</b>
<b>Legal Aid and Defender</b>	<b>1,400.00</b>		<b>1,400.00</b>
<b>Administration</b>	<b>160,000.00</b>		<b>160,000.00</b>
<b>Code Enforcement Wages</b>	<b>100,000.00</b>		<b>100,000.00</b>
<b>Street and Infrastructure Repair</b>	<b>202,237.00</b>	<b>11,772.71</b>	<b>214,009.71</b>
<b>Amount Budgeted</b>	<b>787,237.00</b>	<b>11,772.71</b>	<b>799,009.71</b>
<b>Amount available to budget:</b>	<b>787,237.00</b>		

Ayes: All – 6  
Absent: Frederick

**10. BIDS/CONTRACTS/PURCHASE ORDERS****a. Extension of Tree Removal Contract**

Mr. Hughes stated he asked Bryan Babcock, Director of Public Works, to review the expiring tree removal contract in the City. Mr. Babcock stated that on September 20, 2011, the City of St. Clair Shores received proposals for the 2011-12 Tree Trimming Services Contract. The contract consists of trimming of trees within the road right-of-way at various locations throughout the City. The project was advertised in the Macomb Daily Newspaper as well as the Michigan Inter-Governmental Trade Network (MITN) website. The notice was sent through the MITN website to 139 companies, 22 companies downloaded the proposal, and 6 bids were submitted. Wonsey Tree Service was the low bidder.

Mr. Babcock added that based on their performance during prior years work, and the significantly lower prices than other bidders, it is our recommendation to award the contract to the low bidder, Wonsey Tree Service, Inc.

Mr. Tiseo asked if he was caught up on the stump removal. Mr. Babcock replied that Mr. Demski oversees the Forestry Department and does a great job. He stated that the stumps are usually done about once a month.

Mr. Vitale noted that when Council was touring the City recently, we noticed that sunlight does not get through the trees on certain streets, and there is moss on the roofs. Mr. Babcock replied he will take care of having the trees trimmed.

Ms. Rusie stated that even though this was a good price, she does not approve of contract extensions. She campaigned on stopping no bid contracts and would be voting no.

Mr. Rubino stated there is a big difference in price between the lowest two bidders. He stated he knows the second low bidder personally. He explained that Wonsey Tree Service is actually in the firewood business so they keep a lot of the wood they cut. He added that never has he seen a bid that was 60% less than the nearest competitor, and will probably never see it again. He asked how we could neglect the process when we are saving so much money.

**Agenda Item 10 cont'd.**

Mayor Walby explained that the City attempts to bid almost everything. We just bid this one year ago, and a lot of the older ones we used for 10, 20 and 30 years.

Ms. Rusie commented that staff should have included in the RFP the possible extension for 2-3 years. If we had done this, we might have gotten closer bids.

**Motion by Vitale, seconded by Tiseo to award the 2012-2014 blanket purchase order for Tree Trimming Services and Stump Removal to Wonsey Tree Service, Inc. through June 30, 2014.**

Ayes: Vitale, Rubino, Tiseo, Walby  
Nays: Caron, Rusie  
Absent: Frederick

b. Request Approval to award Audit Services (RFP opened 3/27/12)

Mr. Hughes explained that the selection committee consisting of City Manager Hughes, Assistant City Manager Smith, Director of Finance Haney and City Controller Claeson selected the first three firms to interview. After interviewing personnel from the three firms, and thoroughly checking their references and background, the committee selected Plant and Moran.

Mr. Hughes stated that Plant & Moran came in the most expensive by a small margin. One firm, Rehmann Robson, was the low bidder and currently has Macomb County as a client. There was a \$5 million oversight with the county. They were significantly slow working. They were a professional firm but when we asked them about their capacity to join us in Saturday workshops or arbitration, they told us that they have not done that before, and if we requested additional service, we would have to pay.

Mr. Hughes stated that the firm Abraham & Gaffney brought several people to the interview. Their pricing is about \$9,000 less than Plante & Moran, and they are historian type auditors. They were not involved in Saturday workshops or arbitration either, and there is an additional cost for that. At that time, they were not clear on who would be assigned to our account.

Mr. Claeson explained that Plante & Moran had the previous contract in the amount of \$91,800 which expires June 1. They have lowered their price now approximately \$13,000.

Ms. Rusie asked why a Council Member was not selected to sit on the committee. Mayor Walby replied he was selected, but he was unable to attend due to work conflicts.

Mr. Claeson added that the TIFA audit is included in the price.

Mr. Rubino asked how the process worked.

Mr. Hughes responded that we put out a request for proposal, and then asked that the documents be submitted. Separate and different from their proposal was a sealed cost proposal. The Committee interviewed the three firms, and asked them all the same questions. He added that they would recommend a new firm if we were not getting the service we are from Plante & Moran.

Mr. Vitale stated that one of the companies arrived late for the interview.

**Motion by Tiseo, seconded by Caron to award the contract for audit services for three years to Plante and Moran and consider accepting the proposal for two additional years.**

Ayes: All – 6  
Absent: Frederick



**Agenda Item 10 cont'd.**c. Request Approval to award Civic Arena Compressor and Motor Replacement (Bid opened 5/8/12)

Gina Rheaume, Recreation Sports Manager, explained that bids were opened on May 8, 2012, for the purchase of a Vilter Compressor for the Olympia arena, as well as a motor and starter under the Energy Efficiency Block Grant for installation at Civic Arena. Two bids were received and reviewed by Anderson, Eckstein and Westrick, Inc. for completeness and found to be of similar and equal results. The current compressor being replaced is a York, and many parts have become obsolete and are difficult to secure and expensive based on supply and demand. The manufacturer no longer maintains a parts inventory on this model based on the date of production and the fact that they are no longer in business. The new compressor would be manufactured by Vilter Manufacturing Corporation in the United States and have 100% American content. For all new installations or when purchasing equipment packages such as compressors, it is recommended by the U.S. Department of Energy to replace the motor and starter for maximum efficiency of operation and to reduce energy costs. These items will also be placed in service at the time of the compressor installation. The new motors are 93% energy efficient.

Ms. Rheaume stated they recommend the bid be awarded to the low bidder, Serv-Ice Refrigeration, Inc. in the amount of \$55,596.00, which includes the \$1,000 deduction for Item F in the bid packet. Mr. Rheaume recommends that the order be placed immediately for installation. Funding is available in the amount of \$16,240.00 from the Energy Efficiency Grants and Block Grant improvements for the motor and starter, and \$39,356 is budgeted in the 2012-13 Arena Capital Outlay, 101-703-000.980.

Mr. Hughes stated this is another example of the bid process working.

Ms. Rusie commended them on a good job.

Mr. Caron stated he thought we used all the money awarded from the Energy Efficient Grant. Ms. Koto stated we received approximately \$22,000 of program income, and a series of rebates from DTE. There was about \$8,000 applied toward pre-award costs, and there is a remaining \$16,000 available for this project.

**Motion by Rubino, seconded by Caron to approve the purchase and installation of Vilter compressor, motor and starter at the St. Clair Shores Civic Arena from Serv-Ice Refrigeration, Inc. in the amount of \$55,596; funding provided from the Energy Efficiency Grants in the amount of \$16,240 and \$39,356, Civic Arena Budget 101-703-000.980, Capital Outlay.**

Ayes: All – 6  
Absent: Frederick

d. Request Approval to purchase Email Server and Microsoft Exchange 2010 Software

Greg Corless, Information Systems Administrator, stated that in April 2005, our current Email Server and Microsoft Exchange 2003 Software was installed. It has been used well and past the expected life of the hardware and software. Mr. Corless is requesting approval to purchase a new Dell Server and Microsoft Exchange 2010 Software. The purchase is budgeted under the Computer Replacement and Repair Account.

Mr. Vitale asked if this equipment is message archiving. Mr. Corless replied no and that will be the next step.

**Motion by Rubino, seconded by Caron to approve the purchase of an Email Server at the price of \$4,744.81 and Microsoft Exchange 2010 Software for the price of \$12,151.28.**

Ayes: All – 6  
Absent: Frederick

**11. THIRD QUARTER BUDGET REPORT AND APPROVAL OF BUDGET AMENDMENTS**

Larry Claeson, Controllor, stated the proposed amendments would cumulatively increase the General Fund Unassigned Fund Balance by \$375,247.

Mr. Claeson reviewed the following amendments.

**Budget amendment 12-19** amends the budget for additional anticipated proceeds from the State of Michigan's Economic Vitality Incentive Program. This program essentially replaced Statutory Sales Tax revenues received in

**Agenda Item 11 cont'd.**

prior fiscal years. Under the program, each city that received FY 2010 statutory payments will be eligible to receive a maximum of 67.84% of its FY 2010 statutory payments if it meets the requirements of each of the three program categories:

1.) Accountability and Transparency, 2.) Consolidation of Services, and 3.) Employee Compensation. The City will receive 1/3 of the maximum amount for each of the three categories that it fulfills. Previously approved budget amendments reflected the City's compliance with Categories 1 and 2. This budget amendment reflects the City's compliance with Category 3.

**Budget amendment 12-20** amends the budget to reflect Constitutional Sales Tax revenues in accordance with Michigan Department of Treasury projections through the remainder of the current fiscal year.

**Budget amendment 12-21** establishes a budget for the receipt of a second Homeland Security Grant for the benefit of the Fire Department. The grant is designed to assist Firefighter health and wellness programs with a goal of reducing injuries and related health insurance expenses. Under the terms of the grant, the City is required to fund 20% of the project costs with the Department of Homeland Security funding the remaining 80%. The City's matching portion of the grant is being funded from Ambulance Revenues anticipated to be in excess of the original budgeted amount.

**Budget amendment 12-22** amends the budget to reflect anticipated property tax and related property tax revenues for the current fiscal year subsequent to completing the 2011 Tax Settlement with Macomb County. Property tax revenues continue to be negatively impacted by Michigan Tax Tribunal judgments. These judgments result in lowering taxable valuations for the current tax year thereby reducing current tax year revenues; and commonly result in refunds for prior tax years as well. In addition, accounting standards require the deferral of outstanding delinquent personal property taxes at fiscal year-end. This adjustment is anticipated to be higher than amounts deferred in the previous year, likewise resulting in the recognition of less property tax revenues. This amendment also positively adjusts the budget for anticipated Tax Administration Fees and Penalties & Interest revenues anticipated at fiscal year-end.

**Budget amendment 12-23** amends the budget to reflect more temporary wages than anticipated in holding the Presidential Primary Election. The amendment also reflects higher anticipated reimbursement of these temporary wages from the State of Michigan.

**Budget amendment 12-24** amends the budget by \$22,800 to reflect the net proceeds realized upon the sale of foreclosed properties at 28111 Jefferson and 20913 Yale. In conjunction, "Restricted Fund Balance – Assets Held for Resale" reflecting the City's investment in these properties has decreased by \$83,000. Accordingly, "Unrestricted Fund Balance" has increased by \$105,800 from the sale of these two properties.

**Budget amendment 12-25** amends the Recreation Revenue Fund budget to reflect the receipt of a \$5,000 donation from a Firefighter fund raiser towards the purchase of an ADA lift at the pool.

**Budget amendment 12-26** amends the budget to reflect anticipated reimbursements of CDBG funded expenditures through the end of the fiscal year.

**Budget amendment 12-27** amends the budget by eliminating the contribution from the General Fund to the Recreation Revenue Fund. As the City continues to pay down the Recreation Revenue bonds, the parameters of the debt service covenant likewise change in regards to minimum cash balance requirements. At the current level of outstanding debt, the Recreation Revenue Fund has sufficient cash on hand to meet its operational and restricted cash requirements without additional funds being transferred from the General Fund.

**Motion by Caron, seconded by Rubino to receive and approve the March 31, 2012 Quarterly Report and budget Amendments 12-19, 12-20, 12-21, 12-22, 12-23, 12-24, 12-25, 12-26, and 12-27 which read as follows:**

Fund/ Dept.	Account	Previously Budgeted	Description	Increase	Decrease
<b>BUDGET AMENDMENT 12-19</b>					
<b>101</b>	<b>General Fund</b>				
Rev	575.500		Economic Vitality Incentive Program	173,439	
Fbal	390.000		Fund Balance - General Fund	173,439	

To amend budget for anticipated receipt of Economic Vitality Incentive Program funds from the State of Michigan. This amendment reflects compliance with Part 3 of the EVIP program being Employee Compensation

**Agenda Item 11 cont'd.**

**BUDGET AMENDMENT 12-20**

<b>101</b>	<b>General Fund</b>		
Rev	575.000	Constitutional Sales Tax	250,000
Fbal	390.000	Fund Balance - General Fund	250,000

To amend budget for anticipated Constitutional Sales Tax proceeds in accordance with Michigan Department of Treasury revenue projections.

**BUDGET AMENDMENT 12-21**

<b>101</b>	<b>General Fund</b>		
Rev	583.300	Homeland Security Grants	115,970
Rev	635.000	Ambulance Service	72,000
340	980.013	FIRE Homeland Security Equipment	144,962
Fbal	390.000	Fund Balance - General Fund	43,008

To establish a budget for the receipt a second Homeland Security Grant for the Fire Department. The City's 20% match will be funded from projected Ambulance Service revenues in excess of the original budgeted amount.

**BUDGET AMENDMENT 12-22**

<b>101</b>	<b>General Fund</b>		
Rev	410.000	Current Property Taxes	220,000
Rev	412.000	Administrative Fee	40,000
Rev	419.000	Penalty & Interest	20,000
Fbal	390.000	Fund Balance - General Fund	160,000

To amend the budget to reflect projected property tax and property tax related revenues upon completing the 2011 Tax Settlement.

**BUDGET AMENDMENT 12-23**

<b>101</b>	<b>General Fund</b>		
Rev	695.000	Miscellaneous Revenue	15,000
215	706.000	CLERK Temporary Wages	15,000

To amend the budget to reflect additional temporary wages and the corresponding reimbursement from the State of Michigan relative to holding the Presidential Primary Election.

**BUDGET AMENDMENT 12-24**

<b>101</b>	<b>General Fund</b>		
Rev	691.000	Sale of Assets	22,800
Fbal	390.000	Fund Balance - General Fund	22,800

To amend the budget for net proceeds from sale of foreclosed properties at 28111 Jefferson and 20913 Yale.

**BUDGET AMENDMENT 12-25**

<b>580</b>	<b>Recreation Revenue Fund</b>		
Rev	675.000	Donations	5,000
709	980.000	POOL Capital Outlay	5,000

To amend the budget for donation received from a Firefighter fund raiser towards purchase of an ADA lift at the pool.

**BUDGET AMENDMENT 12-26**

<b>101</b>	<b>General Fund</b>		
Rev	531.000	CDBG Revenue	140,000
Rev	531.111	CDBG Revenue - Senior Center	30,000
Fbal	390.000	Fund Balance - General Fund	170,000

To amend budgeted CDBG revenues to reflect anticipated reimbursements through the end of the fiscal year.

**BUDGET AMENDMENT 12-27**

<b>101</b>	<b>General Fund</b>		
701	960.000	PARKS ADMINISTRATION - Contributions to Other Funds	216,000
Fbal	390.000	Fund Balance - General Fund	216,000
<b>580</b>	<b>Recreation Revenue Fund</b>		
Rev	693.100	Contributions - General Fund	216,000
Fbal	390.000	Fund Balance - Recreation Revenue Fund	216,000

To reverse budgeted contributions from the General Fund to the Recreation Revenue Fund due to lower bond covenant requirements.

Ayes: All -6  
Absent: Frederick

**12. REQUEST FOR APPROVAL OF THE SALE OF HOME(S) ACQUIRED THROUGH TAX FORECLOSURES**

There were none.

**13. 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.

**Motion by Rubino, seconded by Tiseo to approve the Consent Agenda items a – e, which include the following:**

**a. Bills**

May 10, 2012 \$2,256,116.20

**b. Fees – None**

Ihrle & O'Brien \$ 12,467.25

**c. Progress Payments**

Tiseo Brothers, Inc. \$ 10,800.00

**d. Approval of Minutes**

Meeting Date  
City Council April 2, 2012

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

To receive and file the following minutes:

<u>Minutes</u>	<u>Meeting Date</u>
Communication Commission	April 11, 2012
Cool City Committee	April 11, 2012
Fence Arbitration Committee	April 18, 2012
General Employees' Pension Board	April 17, 2012
Golf Course Committee	March 20, 2012
Historical Commission	April 3, 2012
Memorial Day Parade Committee	April 5, 2012
Memorial Day Parade Committee	April 19, 2012
Water Resources Advisory Board	April 3, 2012
Waterfront Environmental Committee	April 17, 2012
Zoning Board of Appeals	April 5, 2012

Ayes: All-6  
Absent: Frederick

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

- Mr. Ihrle stated the home on Doremus is in foreclosure, and there is an upcoming settlement conference. He stated that he drove by the house today and there were large Waste Management bags at the home. He asked how much money the Council wants to spend while we are going through the demolition process. He added we can go after the owners for the money we spend, but many times the money is not collectible. Mr. Caron added the bags have been there for two to three weeks. There is also garbage piling up behind the house as well.
- Mayor Walby stated there is a group protesting and asking for the recall of the President on the sidewalk and property of one of our businesses. He asked if the City has the authority to ask them to leave. Mr. Ihrle responded that the business owner has been quite concerned, but as long as the protestors are on public property, not blocking ingress and egress, and not engaging in violent acts, they do have the right by the first amendment to be there. Because they are passing out literature in front of the business does not mean the business agrees with the literature.

Mr. Vitale asked what if the protestors are following patrons to their cars. Sometimes if the patrons do not agree

## **Agenda Item 14 cont'd.**

with the protestors, then the protestors follow them to their car. City Attorney Ihrle stated that is when the person should call the police.

- Mr. Hughes stated the home at 22326 Rosedale was in the NSP Program. He met with Frank Maiorano and had a good conversation. The home was purchased in February 2010. The City was contacted by HUD for an audit based on complaints received. The findings showed there has been no wrong doing. With regard to lead, we, as the City, contract M. J. Environmental to inspect the home to ensure the lead was removed. It was certified and there is no lead in the home. We did allow the bidders to use subcontractors to use lead abatement. We checked on their licenses, and it appears that the original bidder did not do what they said they were going to do.

Questions arose asking why we would allow sub-contractors to do lead abatement work. MISHDA said it was allowable. The bidders 7/9 were allowed to use subcontractors that had valid state lead abatement licenses. It does appear that the one bidder was fined on use of a lead certified subcontractor. Two of the nine awardees did have lead abatement licenses.

- Mayor Walby stated that as Mayor, and Chair of Council Meetings, he has a responsibility to everyone on how the meetings are conducted. We have to adhere to time limits, and certain language is not acceptable.
- Mayor Walby stated there are some empty lots in St. Clair Shores. We do have an agreement with a developer who has purchased the old Shorecrest Lanes, and will be building a Buffalo Wild Wings on the property.

## **15. COMMENTS BY INDIVIDUAL COUNCILPERSONS**

**Council Member Vitale** explained when he called SERESA Dispatch because of a disturbance behind his home; he felt he had to give the dispatcher a guided tour to that location. He explained the home was on the next street over, but the police ended up at his house anyway. Residents feel they have to give their name and address, and when they do, it becomes a public record. Residents need to feel confident enough to call the police. Mr. Vitale stated he is not satisfied that SERESA has all their issues ironed out.

**Council Member Caron** stated the US Navy band concert on May 27 at 7:00 p.m. has been moved to the Lakeview High School Auditorium. He added that this is a free concert. Mr. Caron thanked the Beautification Commission for planting the flowers around City Buildings. Mr. Caron also thanked the volunteers that helped in the Nautical Coast Cleanup. There was also a Parkinson's Walk at South Lake High School, and he thanked all of the participants.

**Council Member Rusie** stated this was a busy weekend. She thanked everyone who participated and supported the St. Joan of Arc Fair. Ms. Rusie advised she has been made aware of a missing cat called Ketchup. The cat is a tabby and was lost on Trombly Street. Ms. Rusie offered condolences to Jamie Victory on the loss of his mother. Ms. Rusie stated she does not feel it is necessary to bar someone from speaking at Council Meetings who has gone over their 5 minutes at a previous meeting.

**Council Member Rubino** stated the residents on Edgewood are complaining about a dumpster. It was supposed to have been removed by now and it is still there. Mr. Rubino asked if Council will be voting on a liquor license for Buffalo Wild Wings in the future. Mr. Hughes replied it is too early to tell.

Mr. Rubino stated recently there was a Study Session on rentals and the rental program and how we want to change that. He stated he would like to bring that subject up again. Some of the crime statistics lead back to the lower end rentals. Mr. Hughes added the homes have to be kept up to a certain standard. He added that there were many good comments at the meeting in mid-December. This Thursday we will conclude a bus tour of the southern part of our City.

Mr. Rubino wished his wife a Happy Birthday.

**Council Member Tiseo** stated he was stopped by some residents on Taylor Street. They advised him that the properties located at 30212 and 30225 Taylor are not being kept up and would like to find out what the problem is.

## **16. CITY MANAGER'S REPORT**

Mr. Hughes stated that the Hazardous Household Clean-Up was held on May 19, and the data is forthcoming. The event was paid for by Macomb County.

Mr. Hughes advised that all City offices will be closed on Monday, May 28, 2012, which is Memorial Day.

**17. AUDIENCE PARTICIPATION (5 MINUTE TIME LIMIT)**

Jamie Victory, resident of St. Clair Shores, thanked everyone for going to his mother's funeral on Saturday. Memorial Day Parade is on Sunday, May 27 at 1:00 pm.

Frank Maiorano, resident of St. Clair Shores, stated that Council Member Rubino agreed that the downspouts on his neighbor's property were wrong and need to be fixed. Mr. Maiorano also feels the bidding process was tampered with.

Donald Lobsinger, resident of St. Clair Shores, addressed Council in response to Mr. Rubello's comment last week against him. Mr. Lobsinger still wants Bob Montgomery removed as the Chair of the Memorial Day Parade, and will continue to call for his removal.

**18. MAYOR'S COMMENTS**

Mayor Walby advised the area on the corner of Ridgeway and Jefferson still needs to be seeded.

Upcoming developments in the City such as Biggby Coffee have been delayed awaiting state DNR sign offs. Butter Run should be in by June 15.

He has been Mayor for six months now, and he is proud to be the Mayor and go to all of the events which he attended this past weekend. It displays what a great community St. Clair Shores is.

**19. REQUEST TO ENTER CLOSED SESSION AS PERMITTED BY STATE STATUTE MCLA 15.268 SECTION 8 (E) BCP LIMITED VS. ST. CLAIR SHORES**

**Motion by Tiseo, seconded by Rubino to enter Closed Session as permitted by State Statute MCLA 15.268 Section 8 (e) BCP Limited vs. St. Clair Shores at 9:51 p.m.**

**Roll Call Vote**

Ayes: All – 6

Absent: Frederick

**Motion by Rubino, seconded by Caron to return to Open Session at 10:06 p.m.**

Ayes: All – 6

Absent: Frederick

**20. ADJOURNMENT**

**Motion by Caron, seconded by Rusie to adjourn at 10:07 p.m.**

Ayes: All – 6

Absent: Frederick

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KIP C. WALBY, MAYOR

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MARY A. KOTOWSKI, CITY CLERK

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