

**MINUTES
ST. CLAIR SHORES CITY COUNCIL MEETING
JUNE 21, 2010**

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

Present: Mayor Hison, Council Members Frederick, McFadyen, Rubello, Rubino, Rusie and Walby

Also Present: City Manager Hughes, Assistant City Manager Smith, City Clerk Kotowski, Directors Haney, Rayes, Koto and City Attorney Ihrle

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

Mayor Hison called the meeting to order at 7:03 p.m. Ms. Kotowski, City Clerk, called the roll with a quorum present. The Pledge of Allegiance was recited by those in attendance.

Mayor Hison stated that Items #8c, #8e, and #8f, were removed from the agenda.

2. PROCLAMATIONS & PRESENTATIONS

There were no proclamations or presentations.

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

Mrs. McFadyen suggested that when someone comes up to the podium, they just note their name and City since they have already filled out an agenda card prior to the meeting. This will save time.

Motion by McFadyen, seconded by Walby to waive signing in at the podium for the Audience Participation on Agenda Items, as they have signed in with the City Clerk prior to the start of the meeting.

Ayes: All – 7

Jim Goodfellow, St. Clair Shores, spoke regarding Items #9h, #8a, #8d, and #6. Mr. Goodfellow stated that Item #9h, was already bid for \$1,500 more than what was approved at the last Council meeting, and asked if Item #8a was going to be handled the same way. Regarding Item #8d, Bids for Local Paving, Mr. Goodfellow pointed out that the curbs on Van Street need to be repaired. Referencing Item #6 regarding the review of the Business/Residential Wall Program, Mr. Goodfellow stated this is an extra expense on businesses trying to come into St. Clair Shores.

Duane Michno, St. Clair Shores, spoke regarding Item #6. He stated he is a member of the Zoning Board of Appeals and noted that the Zoning Enabling Act does not allow for a variance solely on financial hardship, and every case is reviewed on its own merits.

4. PUBLIC HEARING TO REVIEW THE ASSESSMENT ROLL, HEAR OBJECTIONS TO THE ROLL, AND CONFIRM THE ROLL FOR THE SPECIAL ASSESSMENT DISTRICT FOR THE DREDGING OF THE TEN MILE/BEACH CANAL 2010 DREDGING

It was explained that at the last Council Meeting, it was determined there was a necessity to create a Special Assessment District. This is the second step for this process. The project is totally funded by the residents, who will pay the entire cost to be divided / spread by lot basis. The cost of said improvement has been calculated to be \$49,106.40 / \$805.10 per lot, and the residents request that the payments be made in one (1) installment. It was noted that 50% of the cost must have been deposited before the start of this meeting.

Mr. Ihrle explained this is the same process that St. Clair Shores and other cities use for Special Assessment Districts. The only issue tonight is to hear objections/comments to the SAD roll.

Mayor Hison opened the Public Hearing 7:19 p.m.

No one wished to speak at the Hearing.

Mayor Hison closed the Public Hearing at 7:20 p.m.

4. PUBLIC HEARING TO REVIEW THE ASSESSMENT ROLL, HEAR OBJECTIONS TO THE ROLL, AND CONFIRM THE ROLL FOR THE SPECIAL ASSESSMENT DISTRICT FOR THE DREDGING OF THE TEN MILE/BEACH CANAL 2010 DREDGING cont'd.

Motion by McFadyen, seconded by Walby to adopt the Resolution confirming the Special Assessment District Roll Number 10 Mile / Beach Canal 2010 Dredging for the improvement of the 10 Mile / Beach Canal through dredging, which reads as follows:

WHEREAS, THE TEN MILE / BEACH CANAL SPECIAL ASSESSMENT ROLL NO. Ten Mile / Beach Canal Dredging 2010 has been prepared and reported by a petition signed by owners of two-thirds of the lots adjacent to and abutting on the canal or water-course of the Ten Mile / Beach Canal to the City Council for the purpose of defraying the cost of the following improvement:

Dredging of area will be approximately 1,659 cubic yards from the entrance channel/mouth/interior into Lake St. Clair

The Ten Mile/Beach Canal Dredging 2010 Special Assessment District – legal description of boundaries of district:

District to include “Lake St. Clair Gardens Annex Subdivision (Liber 9, Page 48), all of Lots 5 through 9 and all of Lots 55 through 92; and also Lake St. Clair Gardens Subdivision (Liber 8, Page 24), all of Lots 83 through 90, Lot 92 except the north 2.00 feet that lies south of Lot 91, all of Lot 93, the west 3.80 feet of Lot 94, and all of Lots 95 through 101”

AND WHEREAS, said Special Assessment Roll has been reviewed by the City Council at a public hearing after due and legal notice thereto given in accordance with the Charter:

AND WHEREAS, the City Council is satisfied with said special assessment roll as reported by the Assessor to it:

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Said Special Assessment Roll No. Ten Mile / Beach Dredging 2010 (also commonly referred to as the Beach/Ten Mile 2010 Canal Dredging SAD) in the sum of \$49,106.40 as reported by the Assessor be and the same is hereby confirmed.
2. The City has determined that the cost for said improvement shall be borne by special assessment district. The cost of the improvement has been calculated at \$49,106.40, all of which is assessed for Special Assessment District -Ten Mile / Beach Canal Dredging 2010. This project is totally funded by the residents, where residents agree to pay the entire cost by per-platted lot basis.
3. Said special assessment roll shall be divided into one (1) installment to be due on July 30, 2010. Each lot owner, as voted by the majority of lot owners of the Ten Mile / Beach Homeowners Association, shall provide payment of approximately \$805.10 (per lot as noted on the petitions).

25.405 Deposit. Sec. 5. The lot owners who petition for the improvement shall be required to deposit in the office of the City Clerk, 50% of the estimated cost of the improvement prior to the hearing on the rolls, as provided by Section 9.3 [10.243] of the City Charter.

4. All unpaid installments of the special assessment roll shall bear interest payable annually at the rate of 5% per annum commencing with the due date of the first installment. Penalty Rate: The whole assessment against any lot or parcel of land may be paid to the City Treasurer at any time in full with interest and penalties accrued to the date of the payment of the next installment. If any installment of a special assessment is not paid when due, then the same shall be deemed to be delinquent and there shall be collected thereon, in addition to interest as above provided, a penalty at the rate of one-half of one percent for each month or fraction thereof that the same remains unpaid before being reported to the Council for reassessment upon the City tax roll.
5. The Homeowners Association has provided the City Clerk in writing which Association Members are authorized to sign invoices for payment which shall be forwarded to the City Treasurer to authorize release of payments.

4. **PUBLIC HEARING TO REVIEW THE ASSESSMENT ROLL, HEAR OBJECTIONS TO THE ROLL, AND CONFIRM THE ROLL FOR THE SPECIAL ASSESSMENT DISTRICT FOR THE DREDGING OF THE TEN MILE/BEACH CANAL 2010 DREDGING cont'd.**
6. A copy of the Special Assessment Roll shall be affixed to the original minutes of this meeting.

I, Mary A. Kotowski, City Clerk of the City of St. Clair Shores do hereby certify that the foregoing is an excerpt from the minutes of a meeting of the St. Clair Shores City Council held on June 21, 2010, in accordance with the Open Meetings Act, Public Act No. 267 of 1976 as amended.

Mary A. Kotowski, City Clerk

Ayes: All – 7

5. **REQUEST FROM SHOREWOOD KIWANIS TO HOLD CLASSICAL CONCERTS IN WAHBY PARK 8 MONDAYS IN A ROW, JULY 5, 2010, THROUGH AUGUST 23, 2010.**

Mr. Thomas Ulrich, 28200 Ursuline, was present to represent the Kiwanis. He explained that this is their second year holding the concerts once a week on Monday's with a rain day of Tuesday, with a classic ensemble performing. The only exception is that there will not be a rain day on Tuesday, August 3, 2010, as this is the State Primary Election Day, and there will be a precinct at that location.

Mrs. McFadyen asked if people should bring their own chairs. Mr. Ulrich replied they can bring chairs, blankets, or anything to be more comfortable.

Motion by McFadyen, seconded by Frederick, to approve the Request from Shorewood Kiwanis to hold Classical Concerts in Wahby park eight (8) Mondays in a row, July 5, 2010, through August 23, 2010, from 7:00 p.m. to 8:00 p.m., with a rain day of Tuesday, with the exception of August 3, 2010, due to the State Primary Election precinct held at this location.

Ayes: All – 7

Ms. Rusie suggested posting this information on the City's Facebook Page to increase attendance at the concerts.

Mr. Rubello stated that this is an excellent use of a beautiful park. He asked what they use for equipment. Mr. Ulrich replied they are presently borrowing equipment, but are looking to purchase their own.

Mayor Hison noted that in the past we have waived the \$100 fee for the electrical inspection.

Motion by McFadyen, seconded by Frederick to waive the \$100 fee for the electrical inspection for the Classical Concerts in the Park.

Ayes: All – 7

6. **REQUEST FROM CITY COUNCIL MEMBERS FOR REVIEW OF THE BUSINESS/RESIDENTIAL WALL PROGRAM**

Mr. Rubello stated this item has been a thorn in the business community's side for a long time. He considers this ordinance a hindrance in many ways, requiring a wall that goes between a business and the residents behind it. With the economy the way it is, it is difficult for a business to come up with the extra money to have this wall installed. There are times that a business owner cannot do repairs or maintenance on a building without there being a demand to have the wall put up. A resident or business owner can go to the Zoning Board of Appeals, but there is an application fee to do so. If the repair is less than 50% of the value of the building, they should be allowed to do it. He would like to put a moratorium on the masonry wall installation for two years. If the business owners do not want to take advantage of fixing up their building in those two years, then they have to put in the wall.

Mr. Ihrie stated that anytime there is a change in the use of a structure, building or tenants, the new tenant must get a Certificate of Occupancy and comply with the current code which requires a 4 or 6 foot wall between properties.

6. REQUEST FROM CITY COUNCIL MEMBERS FOR REVIEW OF THE BUSINESS/RESIDENTIAL WALL PROGRAM cont'd.

Mr. Rayes stated there are two triggers that require the masonry wall - if it is a new development, or a new tenant. CDI has been allowing 18 to 24 months to comply with this requirement when they are asked to do so.

Mayor Hison explained that State Law changed the authority to grant a variance and has now been given to the Zoning Board of Appeals, not to the City Council. Izzy's Restaurant's location is an example. The owners bought the restaurant and the house behind it and they had to put up a wall. If there was a moratorium on the wall for 2 years, the people next door would have to look at the restaurant, people, parking lot, headlights, etc. for two years. If you live next door to a business that doesn't have a wall, and this goes on for two years, people are questioning why the ordinance is not being enforced.

Mr. Rubino stated he doesn't want to prohibit any business from moving into the City. If someone was struggling two years ago, chances are they are still struggling today. He added that if he was a neighbor of a building that was shabby, he would rather have a nice building than a wall.

Ms. Rusie stated the Zoning Board of Appeals is generous in their decision making, but you cannot bank on their decision. Most businesses cannot afford to put up the wall because of the economy. Ms. Rusie suggested more investigation be put into this item and possibly have a Study Session.

Mr. Ihrle asked if an existing owner wants to add on to a building, is it the City's position that it would trigger the requirement of a screening wall? Mr. Rayes replied it would, but canopies do not.

Mr. Rubello asked what would happen if a new business did not put up a wall? Isn't a wall required to get a Certificate of Occupancy? Mr. Rayes replied it is, but extensions can be worked out. A temporary Certificate of Occupancy can also be given until all of the work that is required is finished. Then a full Certificate of Occupancy can be given when everything is completed and they have complied with all the requirements.

Mr. Rubello stated there are a lot of blight issues going on in St. Clair Shores and this may be a way to fix some of them. He restated to let the businesses fix their buildings up without having to do a wall. Mr. Rubello stated that existing businesses cannot fix their buildings up, and afford to put up a wall. He would like to give them a break for two years, and review this issue again at that time. He wants to give them an opportunity to fix up their blighted buildings.

Mayor Hison suggested that Community Development, the Zoning Board of Appeals, and the City Attorney meet to discuss this item further, and bring it back to Council at the next meeting.

Motion by McFadyen, seconded Frederick to TABLE the review of business/residential wall program to the July 6, 2010 meeting.

A roll call vote was taken.

Ayes: All – 7

7. REQUEST TO ASSESS A \$5 PARKING FEE AT MUNICIPAL PARKING LOTS (JEFFERSON & MASONIC) FOR JUNE 25TH FIREWORKS EVENT

Mr. Esler, Director of Parks & Recreation, stated that a member of the Activities Committee suggested that there be a parking fee for the fireworks. There are approximately 500 parking spots. It was agreed upon to charge \$5 to park in the lot. He added that the key to continuing fireworks is the ability to have money in reserve for the following year. He has asked for input outside of the department on the idea of charging for parking and the majority of responses have been that many events charge for parking, and we should also. Mr. Esler added that is difficult to keep going to businesses to ask for money for the fireworks.

Mayor Hison suggested that instead of charging \$5 for parking cars, put someone with a container at the gate for donations.

Mrs. McFadyen asked if people are allowed to charge to park cars on their front lawns for the fireworks. Mr. Ihrle responded parking on front yards is not permissible.

Mr. Rubino stated that it might not be right, but it would alleviate traffic on some side streets. If the City charges \$5 to park in a lot, residents will become upset and park on the side streets, which are already congested with parking. He

7. REQUEST TO ASSESS A \$5 PARKING FEE AT MUNICIPAL PARKING LOTS (JEFFERSON & MASONIC) FOR JUNE 25TH FIREWORKS EVENT cont'd.

added that it is too close to the fireworks and too short of notice to start charging for parking.

Mr. Hughes stated that Mr. Loria, Superintendent of Lake Shore Schools, called him and said that if this vote passed, and the City would charge the \$5 for parking, the Lake Shore schools will vote to implement a similar fee this year for parking in their lot.

Mr. Frederick stated it is short notice, but annually it has been a struggle to get enough money for the fireworks. Maybe there is a way to grant a permit with a fee, or put a container at the gate for a donation.

Mr. Walby stated he does not want to ticket people for parking on grass.

Mr. Rubello stated this request was not early enough this year, but would like to do it next year. He encouraged residents to seek out the people with the jugs so they wouldn't have to ask for donations.

Ms. Rusie stated this issue will be addressed for next year.

Motion by Rusie, seconded by Frederick to grant approval to accept a suggested donation at the Municipal Parking Lot (Jefferson & Masonic) for June 25th fireworks, and solicit and collect donations in Veterans Memorial Park, by identified Parks & Recreation staff, that evening as well.

Ayes: All – 7

Mr. Ihrie recommended that only people authorized by Parks & Recreation, with designated staff shirts, be allowed to collect donations. Two people should be together and have in writing where to bring the donations and when.

Mr. Duane Michno stated the park opens at noon. You can bring your own chairs, blankets, etc. There will be a 50/50 raffle conducted by the SCOTS members, games, prizes, and entertainment. In the event of rain, a decision will be made by 4:00 p.m. whether or not to postpone the fireworks. If postponed, the same program will take place on Saturday. Several food and cold drink vendors will be on site, along with and ice cream vendors.

Mr. Esler assured everyone that any extra money collected for this year's fireworks will go toward next year's fireworks.

Mrs. McFadyen announced that the Men's Auxiliary from the Bruce Post donated a check in the amount of \$1,500 in memory of special needs person Jeremy Kohler and presented the check to Mr. Esler.

8. BIDS/CONTRACTS/PURCHASE ORDERS

a. Request to award the contract for NSP home 20315 Avalon to Jarvis Construction (postponed from 6/7/10)

On June 7, 2010, Council postponed awarding the bid to Jarvis Construction, requesting additional deductions comparable to the other NSP awards. In response to staff's request to attempt to lower the price to be more in line with the 20319 Avalon contract, Jarvis Construction advised their price would stand.

Mr. Rubino asked if any other contractors lowered their prices. Ms. Koto responded that Jarvis lowered it once. This one was lowered also, but not as much as the other NSP awards did.

Motion by Rubino, seconded by Rusie to reject the bid to award the contract for NSP home, 20315 Avalon, to Jarvis Construction in the amount of \$95,300.00, and rebid this home.

Ayes: All – 7

Mr. Rubello asked how many more homes the City has to bid out. Ms. Koto responded there are two more to bid out now, and there will be another in three to four weeks.

Mr. Rubino requested to remove any extras in the homes that are being refurbished.

b. Request to award the bid for Property and Liability Insurance (bids opened 5/4/10)

The City of St. Clair Shores solicited bids for property and liability insurance through the MITN online bid system this year. Approximately 100 companies received notice of the invitation to bid on March 15, 2010, and 8 companies downloaded the entire bid package. On May 4, 2010, two bids were received. One was from the City's existing agent Ibox Insurance Agency representing Michigan Municipal Risk Management Authority, and the other from Arthur J. Gallagher Company.

Pointe Counseling Services, LLC, was hired to analyze the bids and make a recommendation. Mr. LeRoy Bostik, consultant from Pointe Counseling Services, was present to answer questions Council may have. His firm recommended that the City retain Ibox Insurance Agency, and Municipal Risk Management Authority for its property and liability insurance.

Mr. Ihrie noted Mr. Walby would not participate in this item, nor vote on the award as he is an employee of Arthur J. Gallagher Company.

Mr. Hughes stated the City is covered by property and liability insurance from MMRMA and this is expiring on June 30, 2010. He added that City staff modified the process and sought sealed bids. In order to receive an objective review of the bids that came in, an independent insurance consulting firm, Pointe Counseling Services, LLC, was hired to analyze the bids and make a recommendation.

Mr. Bostik stated his firm first reviewed, interpreted and quantified the undated Invitation to Bid for Property and Liability Insurance. They then dealt with the required qualifications of the two bidders as was published in the Request for Proposal (RFP).

The RFP indicated that St. Clair Shores would accept bids from "Michigan licensed, qualified agents, insurance carriers or other recognized and authorized facilities". Neither proposal satisfied this requirement completely.

Both bidders complied with the RFP and exceed requirements with very broad property coverage. Each included varying additional coverage that the other did not. MMRMA exactly meets the deductible requirements while the Chubb proposal had a straight \$5,000 deductible regarding property coverage.

Neither proposal included the Cyber Coverage for both first and third party losses related to computer operations.

Both proposals satisfied the requirements stipulated in the bid specifications for liability. The specifications mandated the coverage be on an occurrence form. MMRMA complied totally with this requirement. Gallagher listed a "claims-made" form for the Commercial General Liability.

The crime insurance protection proposed by MMRMA meets all of the requirements. The coverage proposed by Gallagher provides for most of the Fidelity coverage, including money and securities, but the employee dishonesty coverage proposed specifically excludes loss caused by a treasurer or tax collector, and no coverage for Faithful Performance is proposed either through an insurance endorsement or through a bond.

Both proposals satisfied the required limits stipulated in the specifications for Public Entity Liability, as well as Law Enforcement Liability.

MMRMA meets all the requirements of the RFP for automobile insurance, while Gallagher is not completely compliant.

Mr. Rubino stated that the bid specifications do not say a lot, and the City is paying Pointe Counseling Services as advisors. He added that last year the City was told it was going to receive money back from 2008 from MMRMA, and it did not.

Mr. Rubino added that it is an advisor's job to make sure everything is right. We have had vague bid specifications, and did not receive any money back in 2008. He added that Ann Arbor has saved million of dollars in insurance rates by going outside. They recently had 14 bidders and wondered why we only had two. He stated that consultants call agents all the time to verify information. Mr. Bostik stated it is their duty to review the information and respond. Mr. Rubino stated he thinks that Gallagher's policy is better and cheaper. Mr. Bostik responded that Gallagher has stated they indemnify, but MMRMA pays on behalf.

Mayor Hison explained that the City bid this to an on line MITN system. Approximately 100 companies received this. Mr. Bostik stated that if the City had hired Pointe Counseling Services to prepare the specifications, we might not have had this mistake.

b. Request to award the bid for Property and Liability Insurance (bids opened 5/4/10) cont'd.

Mr. Rubello asked how big of a company Gallagher is. Mr. Bostik responded that they have offices all through the country. Mr. Rubello added that there is not enough information and he faults administration. He started asking questions 3-4 weeks ago. He firmly believes that the bid process works. He asked if the City is covered with both policies. Mr. Bostik responded it is.

Mayor Hison stated there are questions that we do not have answers for. We usually look to the low bidder unless there is some reason not to.

Mayor Hison stated he would like to have a special meeting on June 28 to get answers to specific questions and find out whether or not MMRMA would give an extension to their policy. The City cannot delay action on this matter as our current coverage expires on June 30, 2010.

Mr. Rubino stated he feels we were taken advantage of drastically by MMRMA. He would rather be with a company that has guaranteed lowered costs.

Mr. Keith Potter, MMRMA, advised that he does not have the authority to extend the present policy.

Motion by Frederick, seconded by McFadyen, to POSTPONE approval of the bid for Property and Liability Insurance for a Special Meeting on June 28, 2010.

A roll call vote was taken.

Ayes: Frederick, McFadyen, Rubino, Rusie, Hison

Nays: Rubello

Abstain: Walby

c. ~~Request to award the bid for the Harper Avenue Water Main Replacement 13 Mile Road to 14 Mile Road (bids opened 5/25/10) (postponed from 6/7/10 meeting)~~

d. Request to award the bid for 2010 Local Paving (bids opened 6/8/10)

Mr. Rayes explained that on June 10, 2010, the City received bids for the 2010 Local Paving Project. The project consists of completely removing the old road and driveway approaches, installation of new storm sewers, preparation of road sub base, and installation of new concrete pavement. Streets included in this project are Ursuline, Princeton, Frazho, Meier, Briarcliff and Florence. This project was advertised in the Macomb Daily Newspaper and the Michigan Intergovernmental Trade Network website. The notice was sent through the MITN website to over 400 contractors. Plans were viewed by over 50 contractors, and 6 bids were submitted. The low bidder is Tiseo Brothers, Inc., at \$1,051,330.40.

Council asked how the local paving list was ranked. Mr. Rayes replied that the Community Development Department and the Department of Public Works coordinate the ranking list.

Motion by Rubello, seconded by Walby, to approve the request to award the bid for 2010 Local Paving Project to Tiseo Brothers, Inc., in the amount of \$1,051,330.40.

Ayes: All – 7

e. ~~Request to award proposal for Investment Management Services (proposals opened 4/13/10) Item to be rescheduled~~

f. ~~Request to award proposal for the Purchase and Development of a Vacant Parcel on Pleasant for use as a Parking Lot (proposals opened 6/15/10)~~

g. Request for approval of a modification to the collective bargaining agreement with the City and the Professional Employees' Association (PEA) UAW Local 412, Unit 44

Mr. Hughes asked that this item be moved to the Closed Session tonight. Mr. Smith stated it was put on the agenda for approval, but is more appropriate for Closed Session.

Motion by Rubello, seconded by McFadyen to move approval of a modification to the collective bargaining agreement with the City and Professional Employees' Association (PEA), UAW Local 412, Unit 44, to Closed Session.

g. Request for approval of a modification to the collective bargaining agreement with the City and the Professional Employees' Association (PEA) UAW Local 412, Unit 44 cont'd.

A roll call vote was taken.

Ayes: Rubello, McFadyen, Frederick, Rusie, Walby, Hison

Nays: Rubino

Mr. Rubino noted that the last contract with AR4 group requested to go to Closed Session and we denied the request, we are looking for 5% wage concessions.

Mr. Walby noted he was fine to go into Closed Session with this if action on the item is scheduled for the next regular meeting.

9. 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 Walby, seconded by Rubino to approve the Consent Agenda items a – i, as presented, which include the following:

a. Bills

June 3, 2010 \$1,174,478.67

To approve the release of checks in the amount of \$1,174,478.67, of the report that is 21 pages in length and of the grand total amount, \$0 went to other taxing authorities.

b. Fees

Roumell & Lange \$12,236.00
Ihrie & O'Brien \$ 9,254.00

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

c. Progress Payments

Doetsch Environmental Services \$66,274.30
FDM Contracting, Inc. \$26,225.00

To approve the above progress payments, subject to audit.

d. Approval of Minutes - None

e. Receive & File Boards, Commissions & Committee Minutes

To receive and file the following minutes:

<u>Minutes</u>	<u>Meeting Date</u>
Activities Committee	January 12, 2010
Activities Committee	April 27, 2010
Cultural Committee	May 12, 2010
Dog Park Committee	March 4, 2010
Fence Arbitration Committee	May 19, 2010
General Employees Pension Board	May 18, 2010
Historical Commission	May 4, 2010
Parks and Recreation	May 13, 2010
Police and Fire Civil Service Commission	April 8, 2010
Waterfront Environmental Committee	April 20, 2010
Zoning Board of Appeals	May 6, 2010

f. Final Adoption of FY 2009-2010 Budget

9. CONSENT AGENDA cont'd.

In keeping with the City Charter and State law, attached is the final appropriation resolution for the FY-2010 budget. This is the same resolution that has been approved in past years. This resolution helps us reduce audit costs by limiting the amount of work the auditors have to do in verifying that our financial statements contain the correct budget figures. This simply restates the final numbers in our budget book in a resolution.

APPROPRIATION RESOLUTION

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

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

GENERAL FUND

Property Taxes, Administration Fee & Penalties.....	\$29,515,460
Licenses & Permits.....	1,339,100
State & Federal Revenues.....	5,676,014
Fees & Charges.....	5,667,367
Miscellaneous	3,125,691
General Fund Revenues.....	<u>\$45,323,632</u>

OTHER FUNDS:

ROAD IMPROVEMENT TRUST FUND	\$0
SANITATION TRUST FUND.....	740,359
GENERAL EMPLOYEES RETIREE HEALTH TRUST.....	2,860,237
POLICE & FIRE RETIREE HEALTH TRUST.....	3,030,147
UTILITY.....	24,627,203
MOTORPOOL.....	1,863,179
MAJOR ROADS.....	2,408,619
LOCAL ROADS.....	4,776,232
RECREATIONAL REVENUE SYSTEM.....	2,403,823
LIBRARY PENAL FINE.....	55,100
LIBRARY STATE AID.....	47,100
DLEF.....	344,300
COURT BUILDING FUND.....	228,600
FAMILY RENTAL PROGRAM.....	25,000
COMPUTER REPLACEMENT.....	174,521
MILK RIVER DEBT SERVICE.....	15,458
CHAPTER 20 / 21 DEBT SERVICE.....	491,166
CLEAN WATER INITIATIVE - SEMSD PROJECT.....	3,898,608
BUILDING AUTHORITY - 97 ARENA REBUILD.....	146,545
LAC ST. CLAIR PARK REV. BONDS.....	393,090
MVH-2001 12 Mile and Refund 94 L. Mack.....	493,058
JEFFERSON WATER LINE DEBT.....	209,660
2007 WATER PROJECTS.....	283,268
2009 WATER PROJECTS.....	412,790
Total Other Funds.....	<u>\$49,928,063</u>

9. CONSENT AGENDA cont'd.

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

GENERAL FUND

101 Legislative.....	\$100,573
140 Court.....	1,877,354
170 City Manager.....	595,639
201 Finance.....	1,145,206
210 City Attorney.....	503,000
215 Clerk/Election.....	631,767
241 Assessment.....	403,176
253 General Government.....	7,794,898
255 Boards & Commissions.....	420,573
258 Information Systems.....	411,217
266 Building Maintenance.....	756,299
300 Police.....	13,078,002
340 Fire.....	6,672,948
370 Community Services.....	2,544,007
450 DPW Administration.....	645,673
520 Sanitation.....	4,273,577
701 P & R Administration.....	791,642
702 Recreation.....	282,223
703 Arena.....	857,661
705 Parks.....	1,025,488
706 Senior Center.....	472,684
730 Library & Information Services.....	1,910,928
910 Insurance.....	1,192,008
General Fund Expenditures.....	<u>\$48,386,543</u>

OTHER FUNDS:

ROAD IMPROVEMENT TRUST FUND.....	0
SANITATION TRUST FUND.....	24,000
GENERAL EMPLOYEES RETIREE HEALTH TRUST.....	2,012,771
POLICE & FIRE RETIREE HEALTH TRUST.....	2,011,887
UTILITY (Water & Sewer).....	29,226,143
MOTORPOOL.....	2,199,810
MAJOR ROADS.....	4,326,366
LOCAL ROADS.....	5,514,040
RECREATIONAL REVENUE SYSTEM.....	2,583,303
LIBRARY PENAL FINE.....	50,000
LIBRARY STATE AID.....	44,500
DLEF.....	294,880
COURT BUILDING FUND.....	61,200

9. CONSENT AGENDA cont'd.

FAMILY RENTAL PROGRAM.....	21,000
COMPUTER REPLACEMENT.....	260,036
MILK RIVER DEBT SERVICE.....	15,458
CHAPTER 20 / 21 DEBT SERVICE.....	491,349
CLEAN WATER INITIATIVE - SEMSD PROJECT.....	3,370,556
BUILDING AUTHORITY - ARENA REBUILD.....	146,545
LAC ST. CLAIR PARK REV. BONDS.....	393,090
MVH-2001 12 Mile and Refund 94 L. Mack.....	493,058
JEFFERSON WATER LINE DEBT.....	209,660
2007 WATER PROJECTS.....	283,268
2009 WATER PROJECTS.....	412,790
Total Other Funds.....	<u>\$54,445,710</u>

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

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

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

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

- g. Approve the Corridor Improvement Authority (CIA), Tax Increment Finance Authority (TIFA), and Brownfield Redevelopment Authority 2010-2011 Fiscal Year Budgets, a copy of which shall be attached to the original minutes of this meeting.
- h. Request to amend the contract awarded for the NSP Home 22655 Carolina, to Uzstan LLC, from \$112,300 to \$117,600.
- i. To receive and deny the claims of Tami H. Deveroux v St. Clair Shores et al, and refer to legal counsel.

Ayes: All – 7

10. UPDATES AND FOLLOW-UPS FROM COUNCIL MEETING

- **PCB's** – Mr. Hughes stated he would like to have a Community Town Hall Meeting. The two potential dates available are July 21 or July 22. The meeting will be at 6:30 p.m. at a location to be determined. He added the meeting will be aggressively advertised.
- **9-Mile Street** – Mr. Rayes advised construction is on the eastbound lanes only as the entire road will be replaced.
- **DPW Update** – Mr. Hughes advised he is waiting on information from the Prosecutor's Office. As previously stated, the report was submitted on May 4, 2010. He has received an acknowledgment, but no update. He is moving forward with formal job posting for a DPW Director, with the deadline for applications in early July.

11. COMMENTS BY INDIVIDUAL COUNCILPERSONS

Council Member Frederick offered congratulations to congrats Morgan Stocker, Miss Teen St. Clair Shores, 2009-2010 for her competition in Miss Michigan placing.

At the last council meeting Council passed a resolution to place a 1.5656 millage on the November 2, 2010 ballot noting it did not include staffing guarantees. The overall budget for these two departments is over \$18 million. Without these numbers, you will be handing over \$2.6 million with no staffing guarantees. We have reduced this coming years millage by \$7 million, and he believes we are now at the point that we cannot continue to do more with less but this will cause us to do less with less.

Mr. Frederick proposed another millage with staffing on the November 2, 2010 ballot, with guaranteed staffing of 50 firefighters and 90 police officers and asking the voters to approve an additional .4344 mills or a total of 2.0 mills. This would allow the voters to decide what funding they want to pay for. Otherwise the existing millage expires on June 30, 2011 and staffing could be eliminated in these departments.

Mr. Ihrle explained that if that were to happen, the City has no more than 130 days prior to November 2nd to draft new language.

Mr. Frederick stated either language could be added to the first millage or put a second millage on the ballot.

Motion by Frederick, seconded by McFadyen to approve placement of a ballot proposal for a 2.0 mill Police and Fire Millage for 3 years and include in the language of staffing these departments with 50 Firefighters and 90 Police Officers.

A roll call vote was taken.

Ayes: Frederick, McFadyen

Nays: Rubello, Rubino, Rusie, Walby, Hison

The motion failed.

Mr. Rubello stated that he appreciates all the work the Police and Fire Departments do. He does not want to see employees cut. He added that all cities are facing the same kind of problems. Mr. Rubello stated that to ask Council to vote on something like this 3 days before the time limit runs out is not a good position to put anyone in.

Mr. Rubino stated this was first discussed in December, and thinks this is becoming a political game. His concern is who is on the road. Mr. Rubino asked Mr. Hughes if the Central Fire Station was going to close. Mr. Hughes replied it was not. Mr. Rubino added that there are many lies and rumors going around. This City needs Police and Fire, but not the political games.

Mr. Walby stated this City needs not only the Police and Fire Departments, but all of the Departments. Things have changed drastically over the years, and guarantees cannot be made like they used to. He stated he is not going to vote to increase taxes to the residents.

Ms. Rusie stated this was discussed in December. There was no opposition then or in the following months. She asked Mr. Frederick why he did not bring this up sooner.

Mr. Frederick stated this has nothing to do with whether it was brought up before or nodding heads. What this is, is a motion to put something additional on the November ballot. This has nothing to do with raising taxes. He stated to let the residents vote. Numerous other communities have multiple millages on their ballots.

Mr. Ihrle stated that this motion was made with only 3 days left to be put on the ballot. Mr. Ihrle stated that Mr. Frederick did call him and ask if there was time to get this to the Attorney General and he told him there was.

Mayor Hison stated this millage is designated for Police and Fire operations and equipment, and can only be used for that purpose.

Council Member Rubello passed.

Council Member McFadyen stated she hoped everyone had a good Fathers Day. She stated she tried to help Mr. Frederick to put this additional millage proposal on the ballot and is in favor of it.

Council Member Rusie stated she has read comments from residents who are unsure that the millage will be used for Police and Fire only. If passed, residents will know where the money is going. There will be \$2.6 million generated by the Police and Fire Millage. The City is using attrition, part time positions where available, and yet

11. COMMENTS BY INDIVIDUAL COUNCILPERSONS cont'd.

doing everything to keep same level of services. Ms. Rusie added there are also fiduciary concerns. Expenses have to match revenue. Ms. Rusie detailed how the existing millage funds only 21 positions between the 2 departments and detailed their budgets.

Council Member Rubino stated he would have been more than open to discuss the staffing requirements of the millage proposal. He stated the City has to find ways to save money, and he is looking to other communities to see what they are doing. He advised that some police departments are going to 12-hour shifts. This saves on overtime by 15%, sick leave is reduced, thus affording more available manpower. Mr. Rubino suggested the City Manager or Police Chief look into this possibility.

Mr. Rubino stated the Cultural Commission is having a free Film Festival on July 17, 2010. There will be an art show on August 19, 2010, featuring poets and writers. Call the Library at 771-9020 for more information.

Mr. Rubino stated the Lakeview Golf team went to State and took 11th place.

Council Member Walby asked if the City still has an active rat abatement program. Mr. Hughes replied it does, and there are no plans to cancel it at this time.

12. CITY MANAGER'S REPORT

There are no items for the Manager's Report.

13. AUDIENCE PARTICIPATION (5 MINUTE TIME LIMIT)

Shari Ann Raby, St. Clair Shores, stated she spends 7 months out of the year in Florida. She stated that police officers work hard, they are there for us and they protect us. She added that the St. Clair Shores employees are the most professional, caring and giving out of any other city, and she respects them for all their work.

Patricia Check, St. Clair Shores, stated she has a problem with the port-a-potties at Jerry B's. She doesn't appreciate the motorcycles, language, and noise as with the masonry does not help in entirety.

Linda Pittiglio, St. Clair Shores, stated she is in favor of adding the second millage on the ballot.

Paul Opper, St. Clair Shores, stated he is the Vice President of the St. Clair Shores Police Officers Association, and disagrees with Ms. Rusie's numbers of the police officer's average salary. The numbers might be for police officers, but not patrol officers. Mr. Opper addressed Mr. Rubino saying even though he had family or friends who are police officers, you will not ever know the job until you have done it. Mr. Opper also stated that a lot of the St. Clair Shores police officers do live in St. Clair Shores.

Cynthia Pajkic, St. Clair Shores, stated that St. Clair Shores has the leanest fire department in Macomb County, and it is the lowest paid out of 10 comparable communities. She stated she doesn't understand why City Council just voted down an opportunity for the residents to vote for an additional millage. Crimes are not going down, and fires are not going down. She added she has been a resident of St. Clair Shores for 36 years and wants Council to give the residents what they want. Ms. Pajkic stated the residents are willing to give the money for it.

Edna Greco, St. Clair Shores, stated she is concerned about the Police and Fire Departments and the lack of staffing. She feels she was not informed as a taxpayer and citizen when Council voted on the ballot proposal. She added that taxpayers want to be safe and protected. In addition, Ms. Greco stated she didn't get a survey this year and feels Council needs to hear residents' view. She wants our Police Department to keep crime out of the City.

Michaelene Britton, St. Clair Shores, stated she is disappointed that she put her trust in a Council that won't let her make the decision for a millage. She added she is an Emergency Room nurse and feels she was not represented on the ballot proposal options.

Lynn Ritchey, St. Clair Shores, stated she is the child of Firefighter, and they put their lives on the line everyday. She stated she is upset that Council did not give residents a choice to vote for.

Peter Bertolini, St. Clair Shores, stated he lost the phone system at his house, and the security system went off. The security system said there was a fire at his home and the Fire Department was there immediately. Take all the sports but keep Police and Fire.

13. AUDIENCE PARTICIPATION (5 MINUTE TIME LIMIT) cont'd.

Jack Doerr, St. Clair Shores, thinks the \$5 parking fee for fireworks is a good idea.

Dave Micallef, St. Clair Shores, referred to minutes taken in February referencing removing an engine from service, not closing a station. He stated he supports Mr. Frederick with the proposal of a 2nd millage ballot language.

Mike Way, St. Clair Shores, stated any millage is up to the citizens and wanted the option in November.

Mr. Way stated the home next door to him was bought by the City for a dollar and torn down. He thanked Mr. Rayes for the quick resolution. The City's NSP home needs the grass cut consistently.

Karen Pruess, St. Clair Shores, stated she is disappointed the 2nd millage proposal didn't get approved. There was a fire at her brother's home, and the firefighters saved his life.

James Boglev, St. Clair Shores, stated on June 26 at 7:00 p.m. the movie "Invisible Empire" will be shown at the Luna Café, 23415 Greater Mack.

14. REQUEST TO ENTER CLOSED SESSION AS PERMITTED BY STATE STATUTE MCLA 15.268 SECTION 8(E) ST. CLAIR SHORES V WALTCO LAND COMPANY AND THE WALTER R. OLTERS DORF REVOCABLE TRUST AND DORIS BOSKA V ST. CLAIR SHORES

Motion by McFadyen, seconded by Frederick to enter closed session as permitted by State Statute MCLA 15.268 Section 8(e) at 11:47 p.m.

A roll call vote was taken.

Ayes: All – 7

Motion by Rubino, seconded by Frederick to return to Open Session at 12:30 a.m.

Ayes: All – 7

15. ADJOURNMENT

Motion by Rubino, seconded by Frederick, to adjourn at 12:31 a.m.

Ayes: All – 7

ROBERT A HISON, MAYOR

MARY A. KOTOWSKI, CITY CLERK