

**MINUTES
ST. CLAIR SHORES CITY COUNCIL MEETING
JUNE 7, 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, City Clerk Kotowski, Directors D'Herde, Haney, Koto, Vandemergel and City Attorney Ihrie

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

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

Mayor Hison noted that items #10b and #10c have been removed from the agenda by the Community Development Department and the Police Department and will be rescheduled.

2. PROCLAMATIONS & PRESENTATIONS – NEW VOTER IDENTIFICATION CARDS AND MOVE ACT

Ms. Kotowski explained that about two weeks ago we mailed new voter registration identification cards. This was done to notify voters that their County Commissioner District number has changed. The County Commissioner District number has changed as a result of the Home Rule Charter, which reduced the size of the Board of Commissioners from twenty-six to thirteen seats. All district numbers will change again for 2012 and new cards will once again be issued. Ms. Kotowski asked the residents to note an explanation on any voter identification cards that were addressed to people who no longer live at the address and to return the cards to the City Clerk's Office. State Law will only allow us to cancel a voter registration if we receive confirmation in writing that a person is moved or deceased.

Ms. Kotowski explained the MOVE Act. She stated that military and overseas voters could receive an absentee ballot via the internet. This will eliminate the mailing time it takes for the ballots to be delivered. To apply for an absentee ballot, voters can download the Federal Post Card Application (FPCA) on line at www.fvap.gov. The application can then be faxed, mailed, or scanned and emailed back to the City Clerk at stclairshores-ci@migvf.org or marya@scsmi.net. The ballot is expected to be available around June 19, 2010 and can be emailed almost immediately after the application is received.

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

Mayor Hison mentioned that the Relay for Life was held this past weekend and it was a huge success. He was honored to be part of the opening ceremony. The Relay for Life organization presented the Mayor with a sign that states, "This is a Relay for Life Community". They raised more than \$140,000 with this relay.

Mayor Hison reminded the audience members to sign the sheet when they approach the podium and to state their name and City of residence only.

Jose Rahaman, St. Clair Shores, spoke on agenda item #13. He said he is concerned that the services will not be the same. The fire and police are two important departments, which he appreciates as a resident and as a business owner. He recently had to call the paramedics because of an incident and they were quick to respond. He thinks that it's not time to cut the police and fire.

Jim Goodfellow, St. Clair Shores, spoke on agenda item #10a and #13. He believes that the NSP homes should only have the basic repairs, such as, heating, electrical, plumbing, etc. He stated that he heard that one fire department would be closed after the millage passes. He thinks that any anticipated changes should be stated ahead of time to inform the residents.

Zachary McKee, St. Clair Shores, spoke on agenda item #13. He stated that he does not want to see the City lose police and fire services. His job keeps him away from home for long periods of time and there was a situation recently where they called the police and the police responded within minutes. He asked Council to incorporate the number of staffing into the verbiage in order to guarantee the same services in the future.

3. AUDIENCE PARTICIPATION ON AGENDA ITEMS (Cont'd)

Rick Mathias, St. Clair Shores, spoke on agenda item #13. He recently retired from the Pontiac Fire Department. He does not think that it's a good idea to have less staffing because that would cause the response time to be longer. He disagrees with making any changes to the number of police and fire.

Keith Bammel, St. Clair Shores, spoke on agenda item #13. In the past, he voted in favor of the police and fire millage twice. He is not in favor of the millage this time. His bills, including his health care costs, have gone up and he cannot afford to pay for the millage. He believes that there are other ways to cut costs instead of reducing staff.

Mary Hyvonen, St. Clair Shores, spoke on agenda item #13. She said she is disappointed in Council for not keeping high standards. If the police and fire are cut, the services will be substandard. She said 50 Firefighters and 101 Police Officers should not be considered an overabundance.

Gary Kamlay, St. Clair Shores, spoke on agenda item #13. He said he has lived in the City and has owned a business in the City for many years. The superior amenities are the main reason he chose to live in this City. He believes that reducing staff will have a negative affect on the City.

Mark Baetens, St. Clair Shores, spoke on agenda item #13. He stated that he had a heart attack about six weeks ago. The Fire Paramedics responded within five minutes and saved his life. He does not want any changes to the number of their staffs.

James Colo, St. Clair Shores, spoke on agenda item #10a. He said he was born and raised here. He is a small contractor that bid in the NSP bid. He, as well as many other contractors, spent many hours estimating costs. He feels that the NSP homes will increase revenue through the taxes. He asked Council why they are stalling on the NSP homes.

John Seater, St. Clair Shores, spoke on agenda item #13. He recently needed the assistance of the fire and police. His garage caught on fire, the police responded in about two minutes, and the fire responded in about four minutes. Because of their quick response, no one was injured and the nearby homes were spared. He feels that it would be a big mistake to downsize either of those departments.

Joe Patton, St. Clair Shores, spoke on agenda item #10a. He asked what the difference is between a HUD home and a NSP home. He suggested that the City make a requirement that all bids that are submitted need to be itemized.

Natalie Fotias, St. Clair Shores, spoke on agenda item #13. She said she moved here three years ago in order to start a family. She and her husband chose to move to St. Clair Shores because of the level of safety. She requested that the millage state that there will not be any cuts to the staffing number.

David Micallef, St. Clair Shores, spoke on agenda item #13. He does not want to see staffing cut and the services compromised. He believes in maintaining the level of services.

David DeMar, St. Clair Shores, spoke on agenda item #13. He said he lives in St. Clair Shores, but is a Firefighter for the City of Roseville. He feels that making cuts to staffing would compromise the mutual aid agreement between St. Clair Shores, Eastpointe, and Roseville.

4. NEW FACILITY PROJECT AT FISHER DYNAMICS INDUSTRIAL DEVELOPMENT DISTRICT, 33200 FISHER DRIVE

a. Public Hearing on approval of New Facility Project Application

Mr. Jim Ahee, Macomb County Planning and Economic Development Department gave a brief outline of the details of the program. He stated pursuant to Public Act 198 of 1974, Fisher Dynamics has filed an application for an Industrial Facilities Exemption Certificate with respect to a new facility project to be acquired and installed within the Fisher & Company Industrial Development District. The program is designed to assist in expansion, to keep the investment and jobs here in St. Clair Shores. The Industrial Facilities Exemption Certificate, when issued, shall be and remain in force for a period of twelve years after the tax day of December 31, 2010 on which the exemption becomes effective. There is an estimate of \$450,000 in tax revenue, \$64,000, which will be realized in 2011. Fisher Dynamics hopes to grow the business further to develop more jobs. Mr. Ahee said that without the local support, the State incentive would be reduced.

Mr. Alfred Fisher IV, petitioner, mentioned that out of Fisher Dynamic's 200 employees, approximately 11% are St. Clair Shores residents and approximately 69% are Macomb County residents. He stated that if Council approves this, it would benefit the City, the Company, the employees, the County, and the State.

4. NEW FACILITY PROJECT AT FISHER DYNAMICS INDUSTRIAL DEVELOPMENT DISTRICT – a. Public Hearing on approval of New Facility Project Application (Cont'd)

Mayor Hison noted that Council created the Fisher & Company Industrial Development District at the May 17, 2010 City Council meeting. All required certified notices and publications have been completed by the City Clerk.

Mayor Hison opened the Public Hearing at 7:46 p.m.

Ms. Sarah Roberts said she has been in contact with Michigan Economic Growth Authority (MEGA) to assist this petitioner's application. She will be attending Fisher's hearing next week before this Authority.

Mr. Jim Morrison, St. Clair Shores, is concerned with the traffic that Fisher Dynamics brings. The Fisher Dynamic's shift ended at 3:30 p.m. and the school buses dropped children off around 3:30 p.m. This would cause traffic issues because he noticed many employees that were pulling out of the Fisher Dynamics parking lot would make an illegal left turn. There no longer is a "no left turn" sign posted there. He said that traffic would become so congested that many drivers would not stop for the school buses as they were dropping children off at the bus stops. He hopes that these traffic issues will be resolved.

Ms. Michelle Williams, St. Clair Shores, questioned the type of products that will be produced at this facility and if they would be harmful to the environment. She said that she hopes there would be checkpoints of what they are producing.

Mr. Jack Doerr, St. Clair Shores, commented that the equipment that Fisher Dynamics will be purchasing would create more jobs. He agrees with this request as he feels that it will have a trickle affect and create more jobs than anticipated. He disagrees with the abatement period being twelve years and thinks that it should be reviewed after six years.

Mayor Hison closed the Public Hearing at 7:58 p.m.

Mr. Hughes noted that the application came before Council at the May 17, 2010 Council meeting and this would be the final step in the process.

Mr. Fisher stated that he has been in business for forty years. He encourages everyone to support Fisher Dynamics, as it will help the community in many ways. He stated that business has declined nearly 50% in the last two years. They have many St. Clair Shores employees right now and the addition of approximately 100 more employees is a significant step forward. He said Fisher Dynamics is purchasing nearly \$9 million in state of the art equipment, which will open up many more doors for them. Fisher Dynamics is an automotive supplier of seat mechanisms and will have no impact on the environment. He offered his cooperation in order to solve any traffic issues that may come up.

Mayor Hison commented that this is a precedent we are setting because St. Clair Shores has not granted tax abatements in the past, so we are looking at this very thoroughly.

Mr. Fisher said they are in the final negotiation stages with General Motors. If, for some reason General Motors does not want to go forward with the project, the City will not be legally bound in any way.

Mr. Ihrle noted that our resolution states that if the project is not awarded to Fisher Dynamics then the abatement would not take place.

Mr. Vandemergel explained the reason for the flexibility for up to twelve years is to look for unusual or extraordinary situations. The twelve year time period pertains to the notion that things don't happen over night with the business turning around. This equipment has a limited life span and is adaptable for future uses. The legislature gave the board flexibility of going from one year to twelve years. This is the largest employer in the City and the jobs are middle income paying jobs with benefits. The foreclosures and loss of employment are the biggest plight. These employees would most likely patronize the local businesses, which would put more money into the City.

Ms. McFadyen asked if the 100 jobs are for new employees or if former employees who were laid off would be called first. She stated that a twelve year abatement seems like too long of a time. She asked if they would consider St. Clair Shores residents first down the road when more job opportunities open up.

Mr. Fisher said most of the former employees who were laid off have lost their seniority, so most of the 100 jobs will be new hires. He has never had to ask for anything like this from Council in the past and he hopes to never have to ask for anything like this again.

4. NEW FACILITY PROJECT AT FISHER DYNAMICS INDUSTRIAL DEVELOPMENT DISTRICT – a. Public Hearing on approval of New Facility Project Application (Cont'd)

Ms. McFadyen said she hopes that Mr. Fisher takes into consideration everything that was said tonight. She said the “no left turn” signs should be put back up.

Ms. Rusie commented that the application is for the life of the contract. She asked when Mr. Fisher was expecting to start hiring.

Mr. Fisher explained that General Motors says that the project will be for at least seven years. It will take approximately one year to have the equipment built. He said he expects to start hiring in the 3rd and 4th quarters of this year. Hiring will most likely begin in late summer and will increase gradually.

Mr. Ahee commented that Fisher Dynamics would know General Motor's decision by June 15th.

Ms. Rusie noted that residents have stated their concerns at this meeting and at the last meeting. She asked if their concerns could be part of the motion.

Mr. Hughes said that the City has had a productive meeting with Mr. Fisher. Issues were addressed regarding traffic. He said we are committed to doing an in depth traffic survey if this is approved.

Mayor Hison stated that we want to prevent the heavy trucks from traveling where they shouldn't. He asked what consideration St. Clair Shores residents would be given for the jobs.

Mr. Fisher said he cannot give favoritism to anyone, but if there are two individuals who are equally qualified, his practice has been to look at the St. Clair Shores resident first.

Mr. Walby asked what would change with the abatement if Fisher Dynamics uses the equipment to build Ford products in addition to the General Motor's products.

Mr. Fisher explained that he understands it to be that he is asking for tax abatement for a certain amount of time no matter what product is being produced during that time.

Mr. Rubello questioned what the recourse is if the traffic issues are not being handled as planned. He mentioned that a lot of jobs have been created by allowing tax abatements.

Mr. Hughes said for the residents on the surrounding streets to call him directly if there are traffic issues.

Mr. Frederick thanked the Fisher family for staying in the City. He suggested that Fisher Dynamics end their shift an hour earlier or later than the normal time of 3:30 p.m. to avoid causing traffic congestion during the school bus drop offs.

b. Adoption of Resolution and execute Letter of Agreement

Motion by Rubino, seconded by McFadyen to approve the Adoption of a Resolution Approving Application of Fisher Dynamics for Industrial Facilities Exemption Certificate for a New Facility Project located within the Fisher and Company Industrial Development District for 12 year tax abatement and authorizes the City Manager to execute the Letter of Agreement as follows:

**Resolution Approving Application of Fisher Dynamics
For Industrial Facilities Exemption Certificate for a New Facility Project**

WHEREAS, pursuant to PA 198 of 1974, as amended, after a duly noticed public hearing held on June 7, 2010, this St. Clair Shores City Council by resolution established Fisher & Company Industrial Development District; and

WHEREAS, Fisher Dynamics has filed an application for an Industrial Facilities Exemption Certificate with respect to a new facility project to be acquired and installed within the Fisher & Company Industrial Development District; and

WHEREAS, before acting on said application, the City of St. Clair Shores held a hearing on June 7, 2010, at the City Hall Council Chambers, in St. Clair Shores, at 7:00 p.m., at which hearing the applicant, the Assessor

4. NEW FACILITY PROJECT AT FISHER DYNAMICS INDUSTRIAL DEVELOPMENT DISTRICT – b. Adoption of Resolution and execute Letter of Agreement (Cont'd)

and a representative of the affected taxing units were given written notice and were afforded an opportunity to be heard on said application; and

WHEREAS, construction of the facility and installation of new machinery and equipment had not begun earlier than six (6) months before May 24, 2010, the date of acceptance of the application for the Industrial Facilities Exemption Certificate; and

WHEREAS, completion of the facility is calculated to and will, at the time of issuance of the certificate, have the reasonable likelihood to retain, create or prevent the loss of employment in the City of St. Clair Shores; and

WHEREAS, the aggregate SEV of real and personal property exempt from ad valorem taxes within the City of St. Clair Shores, after granting this certificate, will not exceed 5% of an amount equal to the sum of the SEV of the unit, plus the SEV of personal and real property thus exempted.

NOW, THEREFORE, BE IT RESOLVED BY the City Council of the City of St. Clair Shores that:

1. The City Council of the City of St. Clair Shores finds and determines that the granting of the Industrial Facilities Exemption Certificate considered together with the aggregate amount of certificates previously granted and currently in force under PA 198 of 1974, as amended and PA 225 of 1978, as amended shall not have the effect of substantially impeding the operation of the City of St. Clair Shores, or impairing the financial soundness of a taxing unit which levies ad valorem property taxes in the City of St. Clair Shores.
2. The application from Fisher Dynamics for an Industrial Facilities Exemption Certificate, with respect to a New Facility Project on the following described parcel of real property situated within the Industrial Development District, to wit:

Parcel Number: 14-02-101-010, Property Address: 33200 Fisher Drive
Legal Description: ASSESSOR'S PLAT NO. 74 (LIBER 53, PAGE 20), LOTS 5 AND 6; ALSO PART OF LOT 10, DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHWEST CORNER OF LOT 6; THENCE SOUTH 09°26'55" EAST 178.52 FEET; THENCE SOUTHEASTERLY TO THE SOUTHWEST CORNER OF LOT 11, NORTH 33°04'30" EAST TO A POINT IN THE SOUTH LINE OF LOT 5; THENCE WESTERLY TO THE POINT OF BEGINNING

be and the same is hereby approved.

3. The Industrial Facilities Exemption Certificate, when issued, shall be and remain in force for a period of 12 years after the tax day of December 31, 2010 on which the exemption becomes effective.

AYES: All – 7

NAYS: None

RESOLUTION DECLARED ADOPTED.

I, Mary A. Kotowski, the duly qualified and appointed City Clerk of the City of St. Clair Shores, Macomb County, Michigan do hereby certify that the foregoing is a true and complete copy of a resolution adopted at a regular meeting of the City Council held on Monday, June 7, 2010 the original of which is on file in my office.

Mary A. Kotowski, MMC
St. Clair Shores City Clerk

Ayes: All – 7

5. **PUBLIC HEARING FOR THE CONSIDERATION OF NECESSITY FOR THE CREATION OF A SPECIAL ASSESSMENT DISTRICT 10 MILE / BEACH CANAL 2010 DREDGING OF ENTRANCE CHANNEL/MOUTH/INTERIOR**
- a. **Adoption of a Resolution creating a Special Assessment District**
- b. **Adoption of a Resolution to set Public Hearing on June 21, 2010 to review the assessment roll, hear objections to the roll and confirm the roll**

Mr. Ihrie stated that the St. Clair Shores Charter allows for the creation of a special assessment district. The City of St. Clair Shores is unique because it is a waterfront community. It has been difficult in the past to get adjoining property owner approval to clean and maintain the canals. The City has utilized the special assessment a number of times to aid canal homeowners in dredging their canal with equal shares paid by each property owner.

Mayor Hison opened the Public Hearing at 8:39 p.m.

Ms. Pam Brooks said she is the representative for the 10 Mile Beach Canal. She explained how the mouths of the canals build up with sediment and have oxygen depletion. The iron was coming up from the bottom of the canals. They intend to open the canal up because if they don't, the adjoining beach would be compromised.

Mr. Kevin Hertel said he supports the project. He has discussed the project with his neighbors, who are also in favor of the project.

Mr. Trevor Warnes said he supports the project. He said that out of the seven years he has lived there, he was only able to use the canal two of the years.

Mayor Hison closed the Public Hearing at 8:44 p.m.

Mr. Rubello asked what happens when a resident that lives there does not want the canal dredged.

Mr. Ihrie stated that our charter provides for our City to establish an ordinance that enforces every property owner on the canal to pay their share even if they didn't sign in favor of the dredging. There are collection measures set in place, but there are no hardship exemptions.

Mr. Rubello asked if there are State grants that would address the waterfront community.

Mayor Hison mentioned that the ordinance states that as long as two-thirds of the majority is in favor, then the project is allowed to continue.

Motion by McFadyen, seconded by Walby, to approve the adoption of a Resolution creating the Special Assessment District for the 10 Mile / Beach Canal 2010 dredging, and setting a second Public Hearing for June 21, 2010 to review the assessment roll and hear objections to the confirmation of the special assessment roll as follows:

WHEREAS, the City Council has determined it necessary to undertake the following improvements as requested by the 10 Mile / Beach resident petitions; and

WHEREAS, to create a special assessment district 10 Mile / Beach Canal Dredging 2010:

To dredge approximately 1,659 cubic yards from the entrance channel/mouth/interior into Lake St. Clair of the 10 Mile / Beach Canal. The legal description of the Special Assessment District boundaries is as follows:

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

WHEREAS, plans, specifications and estimates of the cost of the improvements have been placed on file with the City Clerk; and

WHEREAS, the City Council has met on Monday, June 7, 2010 at 7:00 p.m. in accordance with notice duly pursuant to Section 9.2 of the City Charter for hearing all objections to the proposed improvement and to special assessment district created to defray the cost thereof, and has heard all such objections.

5. PUBLIC HEARING FOR THE CONSIDERATION OF NECESSITY FOR THE CREATION OF A SPECIAL ASSESSMENT DISTRICT 10 MILE / BEACH CANAL (Cont'd)

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City Council of the City of St. Clair Shores determined to make the following described improvement:

To dredge approximately 1,659 cubic yards from the entrance channel/mouth/interior into Lake St. Clair of the 10 Mile / Beach Canal. The legal description of the Special Assessment District boundaries is as follows:

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

2. Their petitions indicated that the costs would be divided per lot. The approximate total cost is \$49,776 spread over 60.9940896 platted lots, or approximately \$816 per lot.
3. A Special Assessment District is created by this resolution of the City Council adopted on June 7, 2010 for 10 Mile / Beach Canal Dredging 2010.
4. The City Assessor is hereby directed to prepare a special assessment roll in accordance with Section 9.3 of the City Charter and the resident petitions request that the total costs will be divided per lot. The special assessment district to be composed of all lots and parcels of lands created into said special assessment district by paragraph (2) of this resolution and paragraph (3) of the resolution of the City Council adopted on Monday, June 7, 2010, pertaining to said improvement; this assessment against each lot or parcel of land to be such relative portion in special assessment district.
5. The City Assessor is directed to report said special assessment to the City Council when the same is completed and the City Assessor shall attach to said roll his certificate as required by Section 9.3 of the City Charter.

BE IT FURTHER RESOLVED that the City Council hereby sets the public hearing for review and laying of the roll for the Council meeting of June 21, 2010.

Ayes: All – 7

Nays: None

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 7, 2010, in accordance with the Open Meetings Act, Public Act No. 267 of 1976 as amended.

Mary A. Kotowski, City Clerk

Ayes: All – 7

6. REQUEST FOR PLANNING COMMISSION CASES PC 10-06 AND 10-06A AT 24935 JEFFERSON, PEGASUS TAVERNA (FORMERLY KNOWN AS TOM'S OYSTER BAR), PETITIONER DIMITRIOS PAPAS

- a. Request for Special Land Use in Central Lakefront District, PC 10-06, to allow a new restaurant, Pegasus Taverna, to locate within existing building, at 24935 Jefferson (formerly Tom's Oyster Bar)

Mr. Jim Papas noted that there are no changes to the outside of the building.

Motion by Walby, seconded by Frederick to approve a request for special land use, to allow a new restaurant, in existing building, at 24935 Jefferson as recommended by the Planning Commission, subject to the conditions of the City Planner's report, including: 1) Hours of operation to midnight, during the week, and 2:00 a.m., on weekends, 2) The Planning Commission and City Council understand that your presence here tonight constitutes that you are a legal representative of the petitioner for Planning Cases 10-06 and 10-06A. Each statement of intent, promise and/or pledge, made by you, the petitioner or agent, either orally or in

6. REQUEST FOR PLANNING COMMISSION CASES PC 10-06 AND 10-06A AT 24935 JEFFERSON, PEGASUS TAVERNA – a) Request for Special Land Use in Central Lakefront District, PC 10-06, to allow a new restaurant, Pegasus Taverna, to locate within existing building (Cont'd)

writing, if permitted by Ordinance, shall be binding upon the petitioner and shall be a condition of said special land use.

Ayes: All – 7

b. Request for Site Plan approval, PC 10-06A, for a new restaurant, Pegasus Taverna, within existing building, at 24935 Jefferson (formerly Tom's Oyster Bar)

Mr. Papas stated that the former owner had issues with the residents because he did not keep the garbage maintained. He said he has worked with the Planning Commission and have rectified any issues.

Mayor Hison commented that there was an agreement with the previous tenant and resident concerning the garbage dumpster. Mr. Papas stated he is working this issue out with the owner of the abutting business.

Motion by McFadyen, seconded by Walby to approve a request for site plan approval for a new restaurant, Pegasus Taverna, within existing building, at 24935 Jefferson as recommended by the Planning Commission, subject to the conditions of the City Planner's report, including: 1) The petitioner review land survey, to determine whether dumpster encroaches on neighbor's property, 2) The Planning Commission and City Council understand that your presence here tonight constitutes that you are a legal representative of the petitioner for Planning Cases 10-06 and 10-06A. Each statement of intent, promise and/or pledge, made by you, the petitioner or agent, either orally or in writing, if permitted by Ordinance, shall be binding upon the petitioner and shall be a condition of said site plan approval.

Ayes: All – 7

c. Request for approval of new signage in Central Lakefront District, for Pegasus Taverna, 24935 Jefferson

Mayor Hison said that the City ordinance does not allow for stripes or designs on awnings and signs.

Ms. Koto said the petitioner wants his logo above the doorway. Stripes are considered signage in other districts, but Council has the ability to approve this request in the Central Lakefront District.

Mayor Hison commented that the stripes are attractive in the Central Lakefront District.

Mr. Papas said he hopes to open the second week in July.

Motion by Rusie, seconded by Walby to approve a request for new signage in Central Lakefront District, for Pegasus Taverna, 24935 Jefferson allowing for recovering 10 awnings with sunbrella stripes and one complete awning over entrance door with logo.

Ayes: All – 7

7. REQUEST FOR SITE PLAN APPROVAL, PC 10-06A, FOR EXTERIOR BUILDING RENOVATIONS, AT 21920 GREATER MACK, PETITIONER, HAPPY'S PIZZA HOLDINGS, LLC

A representative for Happy's Pizza stated they would be a delivery and take out. There will be only a few tables for customers to sit down.

Ms. Koto explained the building renovations, such as, the stone veneer band is to be increased to four feet on the Greater Mack side only and the dumpster enclosure gates are to be replaced. She confirmed that it will predominantly be carry out and delivery. It will have a maximum seating area for twelve to sixteen people.

Motion by Rubello, seconded by Walby to approve request for exterior building renovations, at 21920 Greater Mack as recommended by the Planning Commission, subject to the conditions of the City Planner's report, including: 1) The mechanical equipment must be properly screened, 2) The stone veneer band is to be increased to 4 ft., on the Greater Mack side, only, 3) The dumpster enclosure gates are to be replaced, 4) The Planning Commission and City Council understand that your presence here tonight constitutes that you are

7. REQUEST FOR SITE PLAN APPROVAL, PC 10-06A, FOR EXTERIOR BUILDING RENOVATIONS (Cont'd)

a legal representative of the petitioner for Planning Case 10-07. Each statement of intent, promise and/or pledge, made by you, the petitioner or agent, either orally or in writing, if permitted by Ordinance, shall be binding upon the petitioner and shall be a condition of said site plan approval.

Ayes: All – 7

8. REQUEST FOR APPROVAL OF NEW SIGNAGE IN CENTRAL LAKEFRONT DISTRICT, FOR PAT O'BRIEN'S, 22385 10 MILE ROAD.

Mr. Raymond Miles, petitioner representative, said that a storm ripped a giant hole in the awning and Pat O'Brien's is now requesting to replace the awning. They are changing the graphics on the awning.

Motion by McFadyen, seconded by Rubino to approve a request for new non-conforming awning sign (486.5 square feet) at 22385 10 Mile in the Central Lakefront District.

Ayes: All – 7

9. Public Hearing on Proposed Fiscal Year 2010-11 Budget and Millage Rates

a. Set Millage rates for tax bills

Mr. Hughes said a lot of hard work went into the budget and specifically noted Mr. Haney, Ms. Schuster, and Mr. Smith's hard work. The budget before you this evening is \$7 million less than last year's. We are taking \$630,000 out of fund balance to present a balanced budget. This budget also included \$820,000 savings from 5% wage concessions across the board. Staffing was reduced by the elimination of four positions. Should all of the unions or a portion of them refuse to take the 5% pay cut, some of the rainy day fund will be requested.

Mr. Haney said we are reducing the overall millage rates about two tenths of a mill by not funding the Police and Fire OPEB. There was a very small increase in the general obligation debt payment and everything else is staying the same.

Mayor Hison opened the Public Hearing at 9:12 p.m.

Mr. Jim Goodfellow said the existing police and fire operating millage does not get included into the general fund. He asked if this would be moved to the general fund once it is approved.

Mayor Hison closed the Public Hearing at 9:13 p.m.

Mr. Walby stated that the police and fire millage money has always gone into the general fund. He said the City's proposed debt millage is being reduced every year, so why the debt fund. He asked if the Lac St. Clair Initiative has been "cleaned up".

Mr. Haney said that it has been cleaned up considerably and has been audited now. We have been reimbursed by Eastpointe and Roseville. He stated that taxable values have dropped a considerable amount. He mentioned that approximately \$2.8 million is in the carryover for this year. He stated that the budget is monitored and amended quarterly.

Mr. Frederick commented that this budget has been significantly reduced, such as, police and fire overtime.

Motion by Walby, seconded by Rubino to adopt the millage rates for the fiscal year 2010-11 and set the property tax administration fee at 1% which reads as follows:

Operating	6.2987
Sanitation	2.3618
Police & Fire Pension	3.5566
Act 359 Publications	0.0298
Police & Fire Operating	1.5656
Voted Street	0.9830
Library	0.9244
General Obligation Debt	0.3207

9. Public Hearing on Proposed Fiscal Year 2010-11 Budget and Millage Rates – a) Set Millage rates for tax bills (Cont'd)

SEMSD Clean Water Initiative	<u>2.0000</u>
Total Millage	18.0406

Ayes: All – 7

b. Adoption of 2010-11 Budget

Mayor Hison said we are reducing the budget by over \$7 million dollars this year. We are still going to look at all departments to reduce overtime. We have worked on a rainy day fund and have built it to where it is today. We are using rainy day funds now and will monitor the usage.

Mr. Hughes stated that this is a painful budget and we still have to work at it. He commented that a lot of credit should be given to the Mayor and Council for the decisions that have allowed us to have a rainy day fund because many Cities do not have rainy day funds.

Mr. Walby asked which four positions would be eliminated.

Mr. Hughes said two inspection positions in the Community Development Department and one position in the Water Department and one in Motorpool would be eliminated through attrition.

Mr. Walby stated that the Police and Fire Departments have never been “short changed” when it comes to equipment. We are still trying to get what is being requested. We are doing are fiduciary responsibility to maintain the services and equipment.

Mayor Hison stated that quality is what we have put forth to maintain the level of services. We are going to address the numbers that are in this particular millage.

Ms. Rusie spoke on what was being proposed for the alternate. She stated that she believes we should move \$9,600 from the Boards and Commission Parade Account to the Parks and Recreation budget. She suggested giving back \$25,000 to Parks and Recreation for temporary employees to obtain funding to cover these special events. She suggested having study sessions to review how we administer City events. She does not want third party reliance issues and feels that it is earmarked.

Mayor Hison said that he agrees that a study session should be held. He said moving it to one account today does not prevent us from moving the money again or from having the parade.

Mr. Haney said it is in the alternate budget resolution to add part time funds of \$25,000.

Mr. Frederick said he has no problem transferring the money as long as there will be a parade. The Parade Council has already started fundraising and if we don't plan on funding the parade we need to tell them now.

Motion by Walby, seconded by Rubino to adopt the FY 2010-11 budget, with the inclusion of a \$25,000 increase in the temporary line item of Parks and Recreation and moving \$9,600 out of Boards and Commissions to Parks and Recreation for Parade Council Account and amendments to ordinances Sewer Use and Rate Ordinance 25.060 Sec. 31-6 (A) (b, e); Water Rates Ordinance 25.260 Sec. 34-10 (d); and Storm Water Utility Ordinance 25.113 Sec. 3 and 25.114 Sec. 4 which read as follows:

APPROPRIATION RESOLUTION

BE IT RESOLVED that this resolution shall be the General Appropriation Act of the City of St. Clair Shores for the fiscal year July 1, 2010 through June 30, 2011, 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.....	\$25,556,916
Licenses & Permits.....	1,354,350

9. b) Adoption of 2010-11 Budget and c) Ordinance amendments to Sewer Use and Rate Ordinance 25.060 Sec. 31-6 (A) (b, e); Water Rates Ordinance 25.260 Sec. 34-10 (d); and Storm Water Utility Ordinance 25.113 Sec. 3 and 25.114 Sec. 4 (Cont'd)

State & Federal Revenues.....	5,693,289
Fees & Charges.....	5,672,995
Miscellaneous.....	3,414,778
General Fund Revenues.....	<u>\$41,692,328</u>
OTHER FUNDS AND DESIGNATIONS:	
Road Improvement Trust Fund.....	0
Sanitation Trust Fund.....	50,000
General Employees Retiree Health Trust.....	1,951,647
Police and Fire Retiree Health Trust.....	1,901,023
Utility.....	18,660,002
Motorpool.....	1,821,862
Major Roads.....	3,460,597
Local Roads.....	4,258,293
Recreation Revenue System.....	2,385,000
Library Penal Fine.....	55,100
Library State Aid.....	22,900
DLEF.....	186,300
Court Building Fund.....	228,600
Family Rental Program.....	25,000
Computer Replacement.....	220,031
Milk River Debt Service.....	15,483
Chapter 20 / 21 Debt Service.....	531,088
Clean Water Initiative - SEMSD Project.....	3,408,612
Building Authority - 97 Arena Rebuild.....	150,108
Lac St. Clair Park Revenue Bonds.....	393,190
MVH-2001 12 Mile and Refund 94 L. Mack.....	491,145
Jefferson Water Line Debt.....	209,654
2007 Water Projects.....	282,318
2010 Water Projects.....	320,736
Total Other Funds.....	<u>\$41,028,689</u>

BE IT FURTHER RESOLVED that the expenditures for the fiscal year beginning July 1, 2010 and ending June 30, 2011, are hereby appropriated on a departmental, activity and fund total basis as follows:

GENERAL FUND

101 Legislative.....	\$82,247
140 Court.....	1,826,228
170 City Manager.....	455,164
201 Finance.....	1,122,416
210 City Attorney.....	503,000
215 Clerk/Election.....	626,764

9. **b) Adoption of 2010-11 Budget and c) Ordinance amendments to Sewer Use and Rate Ordinance 25.060 Sec. 31-6 (A) (b, e); Water Rates Ordinance 25.260 Sec. 34-10 (d); and Storm Water Utility Ordinance 25.113 Sec. 3 and 25.114 Sec. 4 (Cont'd)**

241 Assessment.....	398,111
253 General Government.....	5,296,424
255 Boards & Commissions.....	378,791
258 Information Systems.....	315,178
266 Building Maintenance.....	571,932
300 Police.....	12,512,319
340 Fire.....	6,108,501
370 Community Development & Inspection.....	2,281,993
450 DPW Administration.....	173,243
520 Sanitation.....	3,883,921
701 P & R Administration.....	981,851
702 Recreation.....	282,223
703 Arena.....	835,681
705 Parks.....	935,785
706 Senior Center.....	403,355
730 Library & Information Services.....	1,672,915
910 Corporate Insurance.....	735,287
General Fund Expenditures.....	<u>\$42,383,329</u>
OTHER FUNDS AND DESIGNATIONS:	
Road Improvement Trust Fund.....	0
Sanitation Trust Fund.....	108,738
General Employees Retiree Health Trust.....	1,951,647
Police and Fire Retiree Health Trust.....	1,901,023
Utility.....	18,747,848
Motorpool.....	1,995,112
Major Roads.....	3,585,456
Local Roads.....	4,485,810
Recreation Revenue System.....	2,414,352
Library Penal Fine.....	50,000
Library State Aid.....	22,800
DLEF.....	184,880
Court Building Fund.....	75,000
Family Rental Program.....	21,000
Computer Replacement.....	163,666
Milk River Debt Service.....	15,483
Chapter 20 / 21 Debt Service.....	531,254
Clean Water Initiative - SEMSD Project.....	3,399,811
Building Authority - 97 Arena Rebuild.....	150,108
Lac St. Clair Park Revenue Bonds.....	393,190

9. **b) Adoption of 2010-11 Budget and c) Ordinance amendments to Sewer Use and Rate Ordinance 25.060 Sec. 31-6 (A) (b, e); Water Rates Ordinance 25.260 Sec. 34-10 (d); and Storm Water Utility Ordinance 25.113 Sec. 3 and 25.114 Sec. 4 (Cont'd)**

MVH-2001 12 Mile and Refund 94 L. Mack.....	491,145
Jefferson Water Line Debt.....	209,654
2007 Water Projects.....	282,318
2010 Water Projects	320,736
Total Other Funds	\$41,501,031

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

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

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

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

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

AMENDMENTS TO CODE OF ORDINANCE OF THE CITY OF ST. CLAIR SHORES' PERTINENT TO THE WATER AND SEWER RATES, CHARGES AND FEES

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

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

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

Meter Size	Quarterly Charge	Monthly Charge
5/8"	18.75	6.25
3/4"	28.14	9.38
1"	46.89	15.63
1 1/2"	103.14	34.38
2"	150.00	50.00

9. **b) Adoption of 2010-11 Budget and c) Ordinance amendments to Sewer Use and Rate Ordinance 25.060 Sec. 31-6 (A) (b, e); Water Rates Ordinance 25.260 Sec. 34-10 (d); and Storm Water Utility Ordinance 25.113 Sec. 3 and 25.114 Sec. 4 (Cont'd)**

3"	271.89	90.63
4"	375.00	125.00
6"	562.50	187.50
8"	937.50	312.50
10"	1,312.50	437.50
12"	1,500.00	500.00
14"	1,875.00	625.00
16"	2,250.00	750.00
18"	2,625.00	875.00

SHALL BE AMENDED AS FOLLOWS:

b. A second charge of \$40.68 per 1,000 cubic feet shall be charged for water consumed per quarter. This charge, called Regional Treatment Charge, shall offset the wholesale cost of wastewater disposal to the Southeast Macomb Sanitary District and shall be effective **July 1, 2010**.

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

Meter Size	Quarterly Charge	Monthly Charge
5/8"	20.55	6.85
3/4"	30.84	10.28
1"	51.39	17.13
1 1/2"	113.04	37.68
2"	164.40	54.80
3"	297.99	99.33
4"	411.00	137.00
6"	616.50	205.50
8"	1,027.50	342.50
10"	1,438.50	479.50
12"	1,644.00	548.00
14"	2,055.00	685.00
16"	2,466.00	822.00
18"	2,877.00	959.00

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

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

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

9. b) Adoption of 2010-11 Budget and c) Ordinance amendments to Sewer Use and Rate Ordinance 25.060 Sec. 31-6 (A) (b, e); Water Rates Ordinance 25.260 Sec. 34-10 (d); and Storm Water Utility Ordinance 25.113 Sec. 3 and 25.114 Sec. 4 (Cont'd)

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

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

SHALL BE AMENDED AS FOLLOWS:

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

\$26.55 for each 1,000 cubic feet of water consumed or fraction thereof and shall be effective for all billings after July 1, 2010.

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

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

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

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

We hereby certify that the foregoing ordinance is a true copy of an ordinance as enacted by the St. Clair Shores City Council on the 7th day of June 2010, and that the necessary Charter provisions have been observed.

ROBERT A. HISON, MAYOR

MARY A. KOTOWSKI, CITY CLERK

I, Mary A. Kotowski, City Clerk of the City of St. Clair Shores, hereby certify that the foregoing ordinance was published by posting true copies of the same in each of the following places: Police Station, 27665 Jefferson Avenue, Fire Hall, 26700 Harper Avenue, and City Hall, 27600 Jefferson Circle Drive on the 29th day of June 2010.

MARY A. KOTOWSKI, CITY CLERK

(ordinance effective June 29, 2010)

AMENDMENTS TO CODE OF ORDINANCE OF THE CITY OF ST. CLAIR SHORES' PERTINENT TO THE WATER AND SEWER RATES CHARGES AND FEES

The City of St. Clair Shores ordains that Code Section 25.113 Sec. 3. and 25.114 Sec. 4. of the STORM WATER UTILITY ORDINANCE which reads as follows:

25.113 Sec. 3. FLAT RATE CHARGES.

The quarterly charges for the following properties shall be:

	CHARGE	BASIS
Single family residential	\$10.43	Per Home

9. b) Adoption of 2010-11 Budget and c) Ordinance amendments to Sewer Use and Rate Ordinance 25.060 Sec. 31-6 (A) (b, e); Water Rates Ordinance 25.260 Sec. 34-10 (d); and Storm Water Utility Ordinance 25.113 Sec. 3 and 25.114 Sec. 4 (Cont'd)

Single Family Residential		
located on waterfront or canal	\$5.22	Per Home
Duplex	\$5.22	Per Unit
Condominium	\$7.45	Per Unit
Apartments	\$4.47	Per Unit

25.114 Sec. 4. CHARGES BASED ON LAND AREA.

The quarterly charges for properties other than described above shall be computed in the following manner: \$165.00 per EHA multiplied by the following factors for the acreage of the following types of land area:

- 0.20 for pervious area
- 0.95 for impervious area

The minimum quarterly fee per parcel is \$5.22

Shall be amended as follows:

25.113 Sec. 3. FLAT RATE CHARGES.

The quarterly charges for the following properties shall be:

	CHARGE	BASIS
Single Family Residential	\$10.41	Per Home
Single Family Residential		
located on waterfront or canal	\$ 5.21	Per Home
Duplex	\$ 5.21	Per Unit
Condominium	\$ 7.44	Per Unit
Apartments	\$ 4.46	Per Unit

25.114 Sec. 4. CHARGES BASED ON LAND AREA.

The quarterly charges for properties other than described above shall be computed in the following manner: \$183.96 per EHA multiplied by the following factors for the acreage of the following types of land area:

- 0.20 for pervious area**
- 0.95 for impervious area**

The minimum quarterly fee per parcel is \$5.21

We hereby certify that the foregoing ordinance is a true copy of an ordinance as enacted by the St. Clair Shores City Council on the 7th day of June 2010, and that the necessary Charter provisions have been observed.

ROBERT A. HISON, MAYOR

MARY A. KOTOWSKI, CITY CLERK

I, Mary A. Kotowski, City Clerk of the City of St. Clair Shores, hereby certify that the foregoing ordinance was published by posting true copies of the same in each of the following places: Police Station, 27665 Jefferson Avenue, Fire Hall, 26700 Harper Avenue, and City Hall, 27600 Jefferson Circle Drive on the 29th day of June 2010.

MARY A. KOTOWSKI, CITY CLERK

(ordinance effective June 29, 2010)

Ayes: All – 7

10. BIDS/CONTRACTS/PURCHASE ORDERS**a. Request to award the bid for the renovation and rehabilitation of 20011 Avalon, funded through the NSP Program (bids opened 5/07/10) postponed from 5/17/10**

Ms. Koto stated that staff met with the architects and did reductions house by house. We were allowed to ask the lowest bidder what the reductions would be in dollar amounts. Ms. Koto listed the changes to the plans, such as, remove proposed granite countertops in the kitchen and replace with laminate, remove proposed ceramic tile in kitchen and stairs to basement and replace with linoleum, remove proposed bathtub in main bedroom leaving only a stand-up shower, remove second sink in existing bathroom, replace basement floor epoxy with garage floor paint and eliminate basement ceiling paint. Ms. Koto said the existing home is smaller than the minimum square footage allowed, the roof needs to be replaced, the driveway heaved and cracked, and there is lead paint present on the house and garage.

Ms. Koto said the lowest bidder for 20011 Avalon was eliminated for insufficient information. She said the second lowest bidder was for \$87,719 with additional changes as noted the new base bid is \$85,155.

Ms. Rusie commented that she did not think that it was fair that the bid requirements were changed. She asked why there was a difference in what the house was appraised at.

Ms. Koto explained that what is stated here is the measurement from one interior wall to another interior wall and the appraisal could be measured from the exterior wall to another exterior wall.

Mayor Hison noted that this NSP (Neighborhood Stabilization Program) is used to try to rehabilitate homes. He would rather see the taxpayer's money go into this City to rehabilitate homes in the City than to see other surrounding cities taking advantage of this program with our tax money.

Ms. Koto explained the difference between the \$1 HUD homes and the NSP. The HUD program takes the home back from the resident and if they can't sell the home, they sell it to the City for \$1 and the City fixes the home up and sells it.

Ms. Koto said the NSP is a Federal grant through the State. The City buys the home in foreclosure through the regular market, fixes the home up and sells it. The City received approximately \$1.7 million in grant money.

Mr. Hughes said this is a product of recession in 2008. If the City did not agree to doing the NSP, the money would have gone to another city.

Mr. Walby commented that if the City does not do what is needed to complete the program, then the City will have to give the money back.

Mr. Frederick asked how this would affect the surrounding homes on the street.

Ms. Koto said these homes have to sell to people who are income qualified. The homes can only be sold to a certain market.

Ms. Koto said she spoke with MISHDA today and the seventeen communities that participated in the program have not been spending the money quickly enough. They will recapture the money to spend in communities that are spending the money quickly. She has asked MISHDA if the remaining money could be used to improve parks south of 9 Mile Road and is waiting for a response.

Ms. Koto stated that over twenty people are interested. The City will put the house back on the market for what it is appraised at. We sell it at the higher price and do a write down.

Motion by Rubello, seconded by Rubino to approve a request to award the contract for 20011 Avalon to Ashor Construction for revised bid total of \$85,155.

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

Nays: Rusie

a. Request to award the bid for the renovation and rehabilitation of 20315 Avalon, funded through the NSP Program (bids opened 5/07/10) postponed from 5/17/10

Ms. Koto noted the changes to the plans, such as, remove proposed bathtub on second floor, replace proposed ceramic tile with linoleum flooring in kitchen area, reduce countertops and cabinets by reconfiguring the kitchen,

10. BIDS/CONTRACTS/PURCHASE ORDERS – a) Request to award the bid for the renovation and rehabilitation of 20315 Avalon, funded through the NSP Program (bids opened 5/07/10) postponed from 5/17/10 (Cont'd)

replace proposed windows with lower grade brand, eliminate the proposed egress window in the basement, remove proposed second floor walk-in-closet and remove proposed second sink in the second floor bathroom. The basement walls must undergo significant repair because all the walls are buckling. The lowest bidder was Jarvis Construction.

Ms. Koto noted this bidder was much lower than the others. The consensus of Council was for staff to ask this vendor to lower their bid price to be more in line with the deduction that other contractors supplied for similar homes.

Motion by Frederick, seconded by Rubello to POSTPONE to June 21, 2010 the contract for 20315 Avalon to Jarvis Construction.

Ayes: All – 7

a. Request to award the bid for the renovation and rehabilitation of 20319 Avalon, funded through the NSP Program (bids opened 5/07/10) postponed from 5/17/10

Ms. Koto said this is a single story ranch home that has an illegal addition. She listed the changes to the plans, such as, remove proposed bathtub and proposed second sink on second floor, remove proposed windows on proposed attached garage, replace proposed tile in kitchen area and hallway with linoleum, eliminate proposed built-in bench in utility room, downgrade front door and sidelights and downgrade windows. We would be proposing an addition of approximately 702 square feet. The original bid was \$123,150 with changes and no appliances, \$115,650.

Mr. Rubino said he abstains from voting on this item, as the low bidder is a client of his.

Motion by Walby, seconded by Frederick to approve a request to award the contract for 20319 Avalon to Swany Construction for \$115,650.

A roll call vote was taken.

Ayes: Frederick, Rubello, Walby, Hison

Nays: McFadyen, Rusie

Abstain: Rubino

Motion passed.

a. Request to award the bid for the renovation and rehabilitation of 22655 Carolina, funded through the NSP Program (bids opened 5/07/10) postponed from 5/17/10

Ms. Koto listed the changes to the plans as follows: furnace moved to basement, out of attic space, remove proposed attic access, remove proposed stone on sides of garage, remove proposed drywall in basement, remove proposed tile in basement and replace with linoleum product, remove proposed shower stall and install standard surround tub in new bathroom, remove proposed tile in kitchen, pantry, and down basement stairs and install linoleum, install laminate countertops, proposed stone on rear of house to be from grade up only thirty inches, vinyl siding the remainder, remove proposed basement ceiling paint, remove proposed front patio, and reduce landscaping. The existing third bedroom is non-compliant and must be reconfigured. The original bid was \$126,000 with change in materials and no appliances, total award is \$112,300.

Mr. Frederick asked what happens when a contractor doesn't anticipate repairs and find additional items that need to be addressed.

Ms. Koto said if the repair is under \$10,000 and under 10% of the total cost of the project, it doesn't need to come back to Council.

Mr. Frederick asked to be notified if there are any changes like this no matter what the cost.

Motion by Frederick, seconded by Rubello to approve a request to award the contract for 22655 Carolina to Uzstan LLC \$112,300.

Ayes: Frederick, Rubello, Rubino, Walby, Hison

Nays: McFadyen, Rusie

10. BIDS/CONTRACTS/PURCHASE ORDERS (Cont'd)**a. Request to award the bid for the renovation and rehabilitation of 21907 Colony, funded through the NSP Program (bids opened 5/07/10) postponed from 5/17/10**

Ms. Koto mentioned the changes to the plans, such as, replace proposed tile in the kitchen and down the basement stairs with linoleum and remove one sink in second floor bathroom.

Ms. Koto stated that the proposed plans indicate the reuse of portions of the existing cabinetry in the kitchen. The basement walls are in poor condition and significant foundation work is required. The original bid of \$94,000 less appliances changes the bid to \$88,850.

Motion by Rubino, seconded by Frederick to approve a request to award the contract for 21907 Colony to Uzstan LLC in the amount of \$88,850.

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

a. Request to award the bid for the renovation and rehabilitation of 22326 Rosedale, funded through the NSP Program (bids opened 5/07/10) postponed from 5/17/10

Ms. Koto mentioned the changes to the plans, such as, eliminate proposed second bathroom on first floor, rebuild existing rear addition without expanding, reconfigure staircase design to minimize need for change in roof, rear addition changed to vinyl siding instead of brick, second floor reconfigured for smaller bathroom and living space and replace tile in kitchen and dining area with linoleum. The original bid \$122,110 less these changes and appliances for a new award of \$104,960.

Mr. Rubino said he abstains from voting on this item as the low bidder is a client of his.

Motion by Walby, seconded by Rubello to approve a request to award the contract for 22326 Rosedale to Swany Construction in the amount of \$104,960.

Ayes: Frederick, Rubello, Walby, Hison
Nay: McFadyen, Rusie
Abstain: Rubino
Motion passed.

Ms. Koto mentioned that two more homes will go out to bid and the third will have to go out for bid before June 30, 2010. She said she would inform Council once she gets an answer concerning the remaining money.

11. REQUEST FOR APPROVAL OF THE FIRE FIGHTERS LOCAL 1744 AGREEMENT FOR THE PERIOD JULY 1, 2008 THROUGH JUNE 30, 2011

Mr. Smith discussed the Fire Fighters Local 1744 Agreement. It's a three year agreement covering the period of July 1, 2008 through June 30, 2011. The wages will be retroactive from July 1, 2008 – 3% and July 1, 2009 – 3%. July 1, 2010 – 5% wage reduction across the board. The required minimum staffing will be eliminated. There have been changes to the pension, changes for all new hires and a change in the longevity formula. There is a small increase due to purchase of pension time.

Mr. Smith commented that both parties made changes in order to come to an agreement.

Mr. Walby commented that this is the first union group to give the 5% in wage reductions that Council asked for.

Motion by Rubino, seconded by Frederick to approve a request to ratify the Fire Fighters Local 1744 Agreement for the period July 1, 2008 through June 30, 2011.

Ayes: All – 7

12. REQUEST FOR APPROVAL THE ADMINISTRATIVE REGULATIONS

Mr. Smith mentioned there has been a 5% wage reduction across the board. There has been a new base wage set for the classifications of Chief of Police, Fire Chief and Deputy Police Chief. These changes will be frozen through June 30, 2012. This agreement places a cap on the amount of vacation time which may be cashed in annually by an

12. REQUEST FOR APPROVAL THE ADMINISTRATIVE REGULATIONS (Cont'd)

employee and reduces the cap on the amount of benefit time cashed in which can be credited to final average compensation from the current 1950 to 1000 hours. The agreement provides new language for all employees covered by the Defined Benefit pension plan that places a cap on the percentage of final average compensation that can be used for pension calculation of 62.5% for General Employees and 70% for Police and Fire personnel.

Mr. Rubino noted that this group has given up the most in concessions. Mr. Smith noted the total reduction is in excess of 12.5%.

Motion by Rubino, seconded by Walby to approve request to approve changes made to Administrative Regulation #4 as presented.

Ayes: All – 7

13. REQUEST FOR ADOPTION OF A RESOLUTION TO PLACE A CHARTER AMENDMENT FOR THE MILLAGE ON THE NOVEMBER 2, 2010 STATE GENERAL ELECTION BALLOT

Mr. Ihrie said he was asked to draft proposed language as follows:

Resolution for the purpose of submitting a proposition authorizing the City to levy a portion (7.8643 Mills) of its full authorized charter millage (8.00 Mills), with 1.5656 mills of the total to be used for Police and Fire operations and capital improvements only;

Resolution for the purpose of submitting a proposition authorizing the City to levy its full charter millage as reduced by the headlee rollback from 2004 for Police and Fire operations and capital improvements only, but not to include guaranteed staffing levels; and

Resolution for the purpose of submitting a proposition amending section 8.9(a) of the Charter of the City of St. Clair Shores increasing the authorized millage from 8.00 mills to 9.3087 mills for the general operations of the City.

Mayor Hison stated that there is no way that he would ask for a 3-mill increase in November. He would never think to put that proposal on the ballot with the way things are today. He said it's time to look at what we do and how we do it.

Mr. Hughes mentioned that there are currently 264 full time employees funding of City government.

Mayor Hison stated that the last five to six years we have reduced costs through attrition. If rejected, there would be \$2.6 million less in revenue.

Mr. Ihrie said the last amendment that he placed before Council this evening is a charter amendment to raise annually 1.5656 mills to be used only for Police and Fire operations and capital improvements for three years.

Mr. Walby stated that we have seen almost 15% reductions in property values. We see declining revenue. He stated that he is here to help make this community good. We have cut 17% and 18% out of all other departments in six years.

Ms. Rusie said that Council has just as much invested in the community as other residents. She said that she cares about the community and wants to see the high standards remain.

Mr. Rubino commented that nobody wants to have less services. We are looking at a deficit and he doesn't think it's wise to handcuff himself if changes need to be made.

Mr. Frederick said he has fears without specific staffing numbers to account for police and fire, the 1.5656 mills. He believes that we should look at a separate police and fire millage in order to insure/maintain the number of police and fire. He thinks that we have an opportunity to stand above other communities. He noted he could not support the language without staff numbers.

Mayor Hison responded the language stipulates where it will be spent and it must be spent for Police and Fire.

Motion by Walby, seconded by McFadyen, to approve Adoption of a Resolution to place Charter Amendment Ballot Proposal on the November 2, 2010 State General Election Ballot, Option #4 which reads as follows:

13. REQUEST FOR ADOPTION OF A RESOLUTION TO PLACE A CHARTER AMENDMENT FOR THE MILLAGE ON THE NOVEMBER 2, 2010 STATE GENERAL ELECTION BALLOT (Cont'd)

**RESOLUTION FOR THE PURPOSE OF SUBMITTING A PROPOSITION
AUTHORIZING THE AMENDMENT OF THE CHARTER OF THE CITY OF ST. CLAIR SHORES AND
AUTHORIZING THE LEVY OF 1.5656 MILLS FOR POLICE AND FIRE OPERATIONS AND POLICE AND
FIRE CAPITAL IMPROVEMENTS ONLY, FOR THREE YEARS**

1. The City Council, by a three-fifths vote of its members elect, pursuant to the authority granted by Act No. 279 of the Public Acts of 1909, as amended, proposes that the Charter of the City of St. Clair Shores be amended by adding the following provision:

10.219f [Means of Providing for Police and Fire Operations and Police and Fire capital Improvements]

Section 8.9(f) The council shall raise annually by a tax upon the real and personal property liable to taxation in the City, 1.5656 tenths of one percent (1.5656 mills) of the assessed valuation of such property, to be expended only for police and fire operations and police and fire capital improvements, for a period of three years.

2. The City Clerk shall forthwith transmit a copy of the proposed amendment to the Governor for her approval, and transmit a copy of the proposed amendment to the Attorney General of the State of Michigan for his approval, as required by law.

3. The proposed charter amendment shall be, and the same is hereby ordered to be submitted to the qualified electors of this City at the general election to be held in the City on November 2, 2010, and the City Clerk is hereby directed to give notice of the election and notice of registration therefore in the manner prescribed by law and to do all things and provide all supplies necessary to submit such charter amendment to the vote of the electors as required by law.

4. The proposed amendment shall be submitted to the electors in the following form:

PROPOSAL 1.

Shall the Charter of the City of St. Clair Shores be amended to authorize, for a period of three years, the levy and collection of up to 1.5656 mills per \$1,000.00 of taxable valuation (1.5656) of state taxable value which is estimated to produce \$2,668,262.00 of tax collections in the first year, to be expended only for Police and Fire Operations and Police and Fire Capital Improvements?

5. The proposed amendment shall be published in full in the Sentinel Newspaper (Election Notice) not less than ten (10) days prior to the election.

6. The canvas and determination of the votes on said question shall be made in accordance with the laws of the State of Michigan.

The motion was passed by a 3/5 majority as follows:

AYES: McFadyen, Rubello, Rubino, Rusie, Walby and Hison.

NAYS: Frederick

A roll call vote was taken.

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

Nays: Frederick

Motion passed.

14. COUNCIL LIAISON FOR THE ENGINEERING SERVICES FIRM SEARCH PROCESS

Mr. Hughes stated that the City's engineering contract is in the process of being bid. He is requesting to have a Council Liaison for the engineering services firm search process.

Mr. Rubello volunteered to be the Council Liaison if his work schedule allows it.

Ms. McFadyen volunteered to be the Council Liaison if Mr. Rubello's work schedule prohibited him from doing it.

14. COUNCIL LIAISON FOR THE ENGINEERING SERVICES FIRM SEARCH PROCESS (Cont'd)

Motion by Walby, seconded by Rusie to appoint Council Member Rubello as the Council Liaison for the Engineering Services Firm Search Process and Ms. McFadyen if it conflicts with Mr. Rubello's work schedule.

Ayes: All – 7

15. 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 McFadyen to approve the Consent Agenda items a – f as presented, which include the following:

a. Bills

June 7, 2010 \$1,000,152.74

To approve the release of checks in the amount of \$1,000,152.74, of the report that is 21 pages in length and of the grand total amount of \$1,000,152.74, \$6,156.42 went to other taxing authorities.

b. Fees - None

c. Progress Payments - None

d. Approval of Minutes

To approve the following minutes:

<u>Minutes</u>	<u>Meeting Date</u>
City Council Budget Hearings	May 5, 2010
City Council Budget Hearings	May 6, 2010
City Council	May 17, 2010

e. Receive & File Boards, Commissions & Committee Minutes

To receive and file the following minutes:

<u>Minutes</u>	<u>Meeting Date</u>
Beautification Commission	March 24, 2010
Board of Review (Board 1)	March 2, 2010
Board of Review (Board 1)	March 4, 2010
Board of Review (Board 1)	March 8, 2010
Board of Review (Board 2)	March 2, 2010
Board of Review (Board 2)	March 4, 2010
Board of Review (Board 2)	March 8, 2010
Board of Review (Board 2)	March 9, 2010
Board of Review (Board 2)	March 11, 2010
Board of Review (Board 2)	March 20, 2010
Communications Commission	April 14, 2010
Council Sub-Committee on Boards & Commissions	April 27, 2010
Cultural Committee	April 14, 2010
Fence Arbitration Committee	April 21, 2010
General Employees Pension Board	April 20, 2010
Historical Commission	April 6, 2010
Library Board	April 15, 2010
Older Person's Advisory Committee	April 15, 2010
Parks and Recreation	April 8, 2010
Police and Fire Pension Board	April 29, 2010

15. CONSENT AGENDA (Cont'd)

Police and Fire Retiree Health Care Trust Board
Waterfront Environmental Committee

April 29, 2010
March 16, 2010

- f. To approve the Recommendations from the Council Sub-Committee on Boards, Commissions & Committees as follow:

1. Accept with regret the following resignations:

- Sally Barbier (Cultural Committee)
- June Mallwitz (Historical Commission)
- John McTaggart (Dog Park)
- Taylor Von Allmen (Cool Cities Committee)

2. Recommendation from Sub-Committee on Boards, Committees & Commissions to appoint the following:

<u>Name</u>	<u>Committee</u>	<u>Term Ending Date</u>
Ann Powell	Historical Commission (vacant seat of June Mallwitz)	December 31, 2013
Robert Fetter	Cool Cities Committee (vacant seat of Taylor Von Allmen)	September 30, 2012
John Stevens	Cool Cities Committee, alternate	June 7, 2012
Barbara Wagner	Beautification Commission (vacant seat of Kathleen McLaughlin)	December 31, 2012

3. Recommendation from Sub-Committee on Boards, Committees & Commission to re-appoint the following:

<u>Name</u>	<u>Committee</u>	<u>Term Ending Date</u>
LaGodna, Carla	Cultural Committee	June 1, 2012
Nearon, William	Cultural Committee	June 1, 2013
Stellas, Tina W.	Cultural Committee	June 1, 2013

Ayes: All – 7

16. UPDATES AND FOLLOW-UPS FROM COUNCIL MEETING

- **PCB's** – Mr. Hughes said he has been working closely with the Environmental Protection Agency. He said that there may be a public meeting in the third or fourth week in July, with a site to be determined.
- **9 Mile Paving** – Mr. Rayes said that the bids were awarded to Jaywark Construction who will start construction on June 19, 2010.
- **Department of Public Works** – Mr. Hughes said that the City has not received a status report yet. He noted that the City is advertising the DPW Director position.

Mayor Hison mentioned that Council authorized a forensic audit and have not heard anything about it since.

Mr. Hughes stated that the forensic audit started last Wednesday and the completion date would be no later than July 31.

- **Traffic Lights** – Mr. Hughes mentioned that there were concerns about traffic signals. He said for any person who has a concern about a traffic light to call the City Manager's Office or the City Engineer.
- **11 Mile and I-94 Construction** – Mr. Hughes noted that he had complaints about the noise and safety issues with the construction project and has contacted MDOT to resolve these concerns.

17. COMMENTS BY INDIVIDUAL COUNCILPERSONS

Council Member Walby discussed the DPW investigation and asked where we currently stand with the process.

17. COMMENTS BY INDIVIDUAL COUNCILPERSONS (Cont'd)

Mr. Hughes said he has not received any outreach from the County Prosecutor's Office yet.

Mr. Walby stated that we have done our part and we can't take any further steps.

Mr. Walby commended Fire and AR4 for taking a 5% pay cut. He congratulated Mr. Dick Widgren of TIFA on being named CFO of the year by Crains.

Mr. Walby asked Mr. Rayes about the old Nine and Harper gas station property improvements.

Mr. Rayes said he has spoken to the owner and there could be environmental issues that are causing the hold up.

Mr. Walby said that they took the lowest bid for the fire truck, which included our trade in truck and it was a sealed bid. He stated that if we are transferring equipment to elected officials, the public and Council need to know the details.

Council Member Rubino said that elected officials should not get special treatment and should follow the rules that everyone else has to follow.

Mr. Rubino said that we should make sure to eliminate all "fat" and have a lean budget. Chances are we are going to need more money to maintain a certain standard of living. We need to manage all spending. He stated that no third party organization should assume they will receive any money to host City events.

Mr. Rubino mentioned the boys varsity golf team at Lakeview High School is one victory away from winning the state title.

Council Member Frederick mentioned Joe Cracchiola, a member of the South Lake High School swim team. He announced the St. Clair Shores pageant would be on July 31st. He congratulated Dick Widgren on CFO of the year award.

Council Member Rusie congratulated the Lakeview High School golf team. She asked if the NSP homes that are going up for bid tomorrow will better reflect the changes.

Ms. Rusie announced animal rescue and some animals that need homes.

Ms. Rusie asked how the police and fire overtime was directed.

Council Member Rubello said he knows how important police and fire are. He commented that we need to get the DPW issues behind us and move forward. He thanked the Mayor for attending the third annual community open house event. He announced that there will be disc golf in Brys Park on Thursdays.

Mr. Rubello asked Mr. Rayes about the pocket parks and having them sponsored. He asked about the sidewalk program. He mentioned Shorecrest Lanes and how they were told to keep the property neat and the property has become an "eyesore".

Council Member McFadyen announced the "Cops for Kids" golf outing on June 14, 2010. She wished a belated happy Memorial Day to the service men and women. She thanked Mr. Ihrie and Mrs. O'Brien for "MC-ing" the Memorial Day Parade.

Mayor Hison passed.

18. CITY MANAGER'S REPORT

19. AUDIENCE PARTICIPATION (5 MINUTE TIME LIMIT)

Chris Vitale, St. Clair Shores, discussed the blight problems in the City. He stated that there has been no progress on the homes he turned in for blight.

Patrick Barker, Jewel Construction and Remodeling Services, stated the major thing that was eliminated on some of the NSP projects was the appliances. He asked why the lowest bidder was able to rebid.

James Kelly, St. Clair Shores, stated that the Council meetings have become too long and drawn out. He suggested

19. AUDIENCE PARTICIPATION (Cont'd)

moving Council Member Comments to after Audience Participation to allow Council to respond to resident comments and questions.

Bryan Barker, Jewel Construction, stated that their bid for the NSP homes included every issue and was thorough. He suggested having Council assist on the projects.

Erin Stahl, St. Clair Shores, mentioned the I-94 entrance cleanup on the second Saturday of every month. She doesn't think that people have all the facts on the police and fire millage. She offered various ideas to where the City should look to save money.

David Consiglio, St. Clair Shores, said he agrees with the first come first serve rule for audience participation. He said that the Council meetings have been too long. He complimented the Mayor and Council on doing a great job and he wished Mr. Hughes good luck.

Joe Patton, St. Clair Shores, stated that he is very upset with a home that is in his neighborhood. He provided the Mayor and Council with pictures.

Phillip Dinsmore, St. Clair Shores, stated that a vehicle was parked too close to the stop sign, which could create an accident. He suggested that a "No Parking" sign be put up on Avalon by Gilberts.

David Micallef, St. Clair Shores, voiced his concerns about the millage. He couldn't imagine telling someone else how many people they would need to do a job if he has never done the job, so he doesn't think that it's right that Council tell police and fire how many men and women it would take to do their job. He thinks that the Mayor and Council should ask department heads and staff for ideas on how to cut costs.

Jack Doerr, St. Clair Shores, asked if the millage was a renewal.

20. ADJOURNMENT

Motion by Frederick, seconded by McFadyen to adjourn at 12:53 p.m.

Ayes: All – 7

ROBERT A HISON, MAYOR

MARY A. KOTOWSKI, CITY CLERK