

**MINUTES
ST. CLAIR SHORES CITY COUNCIL MEETING
OCTOBER 18, 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 Rubello, Rubino, Rusie and Walby

Absent & Excused: Council Members Frederick and McFadyen

Also Present: City Manager Hughes, City Clerk Kotowski, Directors D'Herde, Haney, Koto, Rayes and City Attorney Ihrle

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 and noted Ms. McFadyen and Mr. Frederick asked to be excused. The Pledge of Allegiance was recited by those in attendance.

Motion by Walby, seconded by Rubino to excuse McFadyen and Frederick from tonight's meeting.

Ayes: All – 5

Absent: Frederick, McFadyen

Mayor Hison announced that there are only five Council members present and decisions will still require four votes to pass. He asked petitioners for item 4 if they would like to present their item today or postpone it to a future meeting with a full board.

The petitioner respectfully asked to reschedule the item to a future meeting when all Council members would be present.

Mayor Hison noted that anyone who would like to speak on the subject can still do so, but the item will be discussed at a future meeting. Residents will be advised of the rescheduled date.

2. PRESENTATION BY THE CORRIDOR IMPROVEMENT AUTHORITY (CIA) ON THEIR 2ND ANNUAL "LIGHT THE AVENUE"

Mr. Duane Michno, Secretary of the Corridor Improvement Authority, talked about the history of the CIA and its mission. Last year, the CIA created a contest asking businesses to decorate their properties for the Holidays. It turned out to be a very successful first year and the committee is now organizing the second annual Light the Avenue Campaign.

Mr. Peter Viviano, member of CIA, invited businesses to decorate the Harper Avenue to light up the City. The CIA is working together with the Cool City Committee, Activities Committee and Beautification Commission for this event. The Beautification Commission was asked to judge and the winners will be presented at the Tree Light Ceremony and at the December 6, 2010 Council meeting. The hope of this contest is to inspire residents from St. Clair Shores and the surrounding area, to do their holiday shopping on Harper Avenue.

Mayor Hison encouraged all the businesses to participate to beautify the City of Lights and thanked the CIA for organizing the event.

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

Jim Goodfellow, St. Clair Shores resident, agenda item 4. Mr. Goodfellow talked about the Planning Commission meetings and asked Council to listen to the residents in regards to the proposed Kroger gas station.

Joseph Backus, St. Clair Shores resident, agenda item 4. Mr. Backus questioned the location of the proposed gas station. He agreed with the one on 13 Mile and Harper because there was enough room for it. Mr. Backus talked about being fair to other small businesses in the City.

Claudia Czuchaj, St. Clair Shores resident, agenda item 4. Ms. Czuchaj expressed her opposition of having a gas station in her back yard. She talked about Kroger not maintaining the lot on the corner of Liberty and Alice. She feels

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

that the residents have poor representation and would like to see the City take into consideration residents' comments.

Elizabeth Anderson, St. Clair Shores resident, agenda item 4. Ms. Anderson talked about the previous owners of the proposed property and does not feel the proposed location is big enough for a gas station. It will cause a lot of traffic on Alice. She noted that Alice was not meant for semi trucks and gasoline tankers.

Jim Calin, St. Clair Shores resident, agenda item 4. Mr. Calin lives almost directly behind the proposed gas station and noted that there are five gas stations in the area and therefore, another one is not needed.

Elaine Seeley, St. Clair Shores resident, agenda item 4. Ms. Seeley quoted the B-3 zoning district and added that a B-3 proposal is not compatible in the residential area.

Dan Bohn, St. Clair Shores resident, agenda item 4. Mr. Bohn suggested a professional traffic study at the proposed location to see if a gas station is feasible in the area.

Greg Osim, St. Clair Shores resident, agenda item 4. Mr. Osim lives directly behind the proposed gas station. He is against the proposed location for the gas station and noted that traffic is already terrible on Alice.

Charles Hall, St. Clair Shores resident, agenda item 4. Mr. Hall talked about the traffic problems of that corner and stated the lot is not a good fit for a gas station. He questioned the Planning Commission recommending approval of the proposed gas station. Mr. Hall asked who will provide items to be installed on the donated piece of land to make it a park.

Dan Bott, St. Clair Shores resident, agenda item 4. Mr. Bott stated the lot is too small for what a gas station requires; traffic would be backed out to 9 Mile. He disagreed with the Planning Commission on this item.

4. REQUESTS FOR PLANNING COMMISSION CASES PC 10-13 AND 13A, AT 22500 NINE MILE ROAD, PETITIONER KROGER CORPORATION

a. Rezoning PC 10-13 Part of Lots 1, 32, 33 and 34 of Fresards Lake Subdivision, as recorded in Liber 3 of Plats Page 189, Macomb County Records, from B-1 Local Business District to B-3 General Business District, at 22430, 22500, and 22504 Nine Mile Road

b. Site Plan Approval PC 10-13A for new gas station and convenience kiosk, at 22500 Nine Mile Road

c. Request for a donation of land to the City for a park

The petitioner asked to reschedule item 4 to appear before a full Council.

5. BIDS/CONTRACTS/PURCHASE ORDERS – AWARD BID FOR EECBG ENERGY AUDITS (BIDS OPENED 10/12/10) Item came in less than \$10,000

6. **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 Rusie to approve the Consent Agenda items a – c, e and g, separating items d and f.

a. Bills

October 18, 2010

\$10,749,630.17

To approve the release of checks in the amount of \$10,749,630.17, of the report that is 21 pages in length and of the grand total amount of \$10,749,630.17, \$6,315,747.99 went to other taxing authorities.

6. CONSENT AGENDA cont'd.

b. Fees

Roumell & Lange	\$ 482.21
Ihrle & O'Brien	\$10,694.00

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

c. Progress Payments

Inland Waters Pollution Control	\$ 10,409.29 (Final)
Tiseo Brothers, Inc.	\$153,470.55
Tiseo Brothers, Inc.	\$ 11,279.71
Tiseo Brothers, Inc.	\$287,205.11

To approve the above progress payments, subject to audit.

e. Receive & File Boards, Commissions & Committee Minutes

To receive and file the following minutes:

<u>Minutes</u>	<u>Meeting Date</u>
Beautification Commission	August 11, 2010
Brownfield Redevelopment Authority	August 17, 2010
Dog Park Committee	September 2, 2010
Historical Commission	September 7, 2010
Police and Fire Pension Board	August 26, 2010
Police and Fire Retiree Health Care Trust Board	August 26, 2010
Tax Increment Finance Authority	July 15, 2010
Zoning Board of Appeals	September 9, 2010

g. To receive and deny the claim of Kenneth McKee v St. Clair Shores and refer to legal counsel for response.

Ayes: All – 5
Absent: Frederick, McFadyen

Separated items

d. Approval of Minutes

To approve the following minutes:

<u>Minutes</u>	<u>Meeting Date</u>
City Council	October 4, 2010

Mr. Rubello wanted to add the Fire Chief's response to his question at the October 4, 2010 meeting. Mr. Rubello asked if there is a way to control overtime removing minimum staffing at the Central Fire Station. Mr. Morehouse responded there is a way.

Mayor Hison noted the minutes are not verbatim and not every comment is captured.

f. To approve blanket purchase order for water meters and KP Brand electronic meter systems with SLC/Hydro Meters.

Mr. Rubello asked if \$200,000 would be needed to replace water meters. Mr. Hughes responded that the \$200,000 is a budgeted blanket purchase for seven types of meters used to replace the defective or malfunctioning meters. These are paid from the water bills through the Water Fund.

Motion by Rubino, seconded by Walby to approve separated item d – Approval of the City Council Meeting Minutes of October 4, 2010 noting Mr. Rubello's comments on page 8, inserting paragraph 10; and separated item f – Approval of Blanket Purchase Order for Water meters.

Ayes: All – 5
Absent: Frederick, McFadyen

7. UPDATES AND FOLLOW-UPS FROM COUNCIL MEETING

- **PCB's** – Mr. Hughes noted they had one additional conversation with the EPA and they promised a comprehensive meeting in November.
- **9 Mile Street Replacement Project** – Mr. Rayes reported the main lane roadway is paved; they are working on sidewalks and driveways, and then continue with joint sealing and backfills. The project is anticipated to be complete in November.
- **Harper Water Main** – The contractor completed the service changes and tied the side streets to the main line. They are working on the restoration of the project and Detroit Edison is finishing relocating the utilities.
- **Department of Public Works** – Mr. Hughes noted the forensic audit was successfully completed. The City will be reimbursed for the scrap metal, the waived water bill and up to \$10,000 for the professional service of the forensic auditor. The vacant DPW Director position was filled today by Bryan Babcock, the Assistant City Engineer. His position will remain vacant as a cost saving.
- **State General Election** – Ms. Kotowski noted that as of today, 7,570 absentee ballots were mailed and 34% were returned. She reminded voters about the white drop box in front of City Hall and announced that the Clerk's Office will be opened on Saturday, October 30, 2010 from 8:00 a.m. to 2:00 p.m. for absentee ballots only.
- **Town Hall Meeting** – Ms. D'Herde stated the Town Hall meeting will be televised after tonight's Council meeting and after its reruns. Scheduling times will be available on Facebook, the cable bulleting board and mentioned on the SCS news program.

8. COMMENTS BY INDIVIDUAL COUNCILPERSONS

Council Member Rubello said goodbye to his neighbor, William Grady who recently passed away and announced upcoming community events.

Mr. Rubello talked about the fourteen pocket parks available for dedication. The suggested price is \$1,500 and interested parties should contact the Community Development Department.

Mr. Rubello requested discussing business friendly changes to the sign ordinance at the next Council meeting.

He discussed Fire overtime and staffing. Mr. Rubello wants to know if it's possible to cut overtime and keep all engines in service. He wants to find out an answer soon, so the City is prepared for December 31 when the allowed overtime expires. Mr. Hughes responded that they've had several meetings regarding this issue exploring few options. He added there is approximately \$50,000 left for overtime and based on the current usage, the limit will be approached in late November.

Mr. Rubello discussed the confusion between the two City proposals. In general terms, proposal 1 is the same millage of 1.5656, but differs by removing minimum staffing levels in the Police and Fire departments. Proposal 2 would be an increase, levying up to 2 mills. Mr. Hughes clarified that if assessed values decrease, the numbers presented in the newspapers can be less. It all depends on the assessed value of each property.

Council Member Walby explained that if both proposals pass the increase would be more than double; up to 3.5656 could be levied.

Mr. Walby requested an update on the Gourmet House. Mr. Rayes responded the gas was cut on Friday and electricity will be cut on Wednesday in preparation for the demolition. The building should be down soon.

In regards to the property on Stephens, Mr. Ihrie stated that the owners have made several promises to take the building down but have not done so. The City filed action about three to four weeks ago. If they don't abide, he will proceed full speed with litigation. Mayor Hison added he had a conversation with the owner and he doesn't want to pursue any legal issues.

Mr. Walby asked about the progress on the 5% wage cut with the POA and COA. Mr. Hughes had no progress to report.

Mr. Walby explained why he is in support of proposal 1. He is not in favor of another tax increase and does not want to continue the status quo. Mr. Walby is looking for flexibility to make changes accordingly.

8. COMMENTS BY INDIVIDUAL COUNCILPERSONS cont'd.

Council Member Rusie announced the upcoming Halloween Party at the Veterans Memorial Park.

Ms. Rusie inquired when all the NSP homes will be completed. Mr. Rayes responded the homes will be done in November.

Mr. Rayes added that a new Ram's Horn restaurant will be opened in January at 9 Mile and Jefferson where the Big Boy restaurant was.

Ms. Rusie inquired why so much overtime is being used in the Fire department. Mr. Hughes responded that there are five vacancies and because of the hiring process, it takes a long time to get a full staff in there. In addition, there have been two significant injuries that initiated two more vacancies.

Ms. Rusie asked how the City is responding to all the rat issues. Mr. Rayes explained that the City is aware of the affected areas. The City needs permission to access properties to install bait. Only one third of the people contacted have responded to give permission. Therefore, it makes it more difficult to access and control the problem. If residents have rat issues, they should report it with the Code Enforcement.

Ms. Rusie announced the first donation of \$500 to the St. Clair Shores Memorial Day Parade Committee from Kathy Scruggs.

Ms. Rusie thanked the residents that attended the Town Hall meeting and emphasized on the costs to the City associated with each proposal.

Ms. Rusie compared the numbers resulting from each proposal and noted that approximately 70% of the total operating budget for the two departments is related to salaries. The budget took into consideration 0% wage increases, 5% wage concessions and no restoration of overtime. The overtime that has been restored will be presented as a budget amendment or it could be identified through other savings.

Ms. Rusie asked when the City will run out of the rainy day funds if both proposals fail. The City will run out of money in 2013.

She questioned if employees have to remain neutral on this subject while on the job. Mr. Hughes responded that as an internal policy, Regulation 25, employees are prohibited from engaging in politics while on duty.

Council Member Rubino announced the Dzien Dobry Hamtramck Tour on October 23, 2010, hosted by the Cultural Committee.

Mr. Rubino apologized for blaming the wrong person regarding the Detroit News article which stated crime was up 20% in St. Clair Shores. He added the comment is untrue; he checked the figures and crime is down by 2.1%.

Mr. Rubino discussed governments operating with unfunded liabilities and inflation. He stated that if proposition 2 passes, the City could see a decrease in services in other departments. He added that proposal 2 was union initiative.

Mayor Hison passed.

9. CITY MANAGER'S REPORT – NONE

10. AUDIENCE PARTICIPATION (5 MINUTE TIME LIMIT)

David Consiglio, St. Clair Shores, talked about Sarah Roberts' campaign in 2008 and 2010. He claimed that she did not lead the fight against PCB's.

Bruce Terwilliger, St. Clair Shores, requested City Council to consider granting a 50% tax reduction for the PCB canal homeowners until clean-up is resolved. He stated he does not get the advantage as the other waterfront properties do.

Jack Doerr, St. Clair Shores, commented on defective water meters and asked whether the old meters can be refurbished and sold.

James Steffes, Labor Relations Representative of the Michigan Association of Police Officers, talked about

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

negotiations between the City and the POA. He stated the City terminated minimum staffing levels which decreased overtime equaling to 5.2% of wages. The best agreement is resolved between two parties, and not when a third party mediator dictates the final decision.

Sue Jesion, St. Clair Shores, talked about the Lake Shore Schools proposal for an operating millage. She added she is not in favor of cuts or hurting people, but the City needs to operate within its means.

Dan Bohn, St. Clair Shores, spoke about the financial status of the City. Mr. Bohn noted that the two proposals should not have been added; voters should have had a choice between 1 or 2, but not both. He discussed that if staffing levels can't be changed, then management's hands are tied to work revenue against cost.

Barry Nannini, Metro East Chamber of Commerce, announced their annual auction at Eastpointe Manor on November 4, 2010 from 6:00 p.m. to 10:00 p.m.

Gary Crandall, POA president, talked about the meetings the POA and COA had with the City. The bargaining units have not agreed to wage cuts, but they have offered more than 5% in savings; some options presented offered up to 15%. He commented on looking at the overall package the City will be saving, not just wages. He added that when the private sector was getting raises and bonuses, they were told they work in the public sector.

Jamie Victory, St. Clair Shores, encouraged everyone to have a safe Halloween.

Frank Maiorano, St. Clair Shores, requested meeting with Mr. Hughes.

Charles Hall, St. Clair Shores, attended the July TIFA meeting to inquire about funds to improve Blossom Heath Park. TIFA told him that the City received money back this year and that he should contact the City. Mr. Hall encouraged the Parks Director and TIFA to sit down and discuss this issue.

Mr. Hall commented on garbage all over California Street and disagreed with residents having to pay \$10 for parking at the 2011 Fireworks.

Erin Stahl, St. Clair Shores, inquired if Council thought of an appointment process to replace Mrs. McFadyen; she added the residents deserve a full board.

Ms. Stahl provided her website www.erinstahl.com and phone number 586-774-8181 for anyone who would like to hear her side of the story regarding the two proposals. She added that she's against misleading the residents.

Steve Lathrop, Grosse Pointe, treasurer for POA, responded that management's hands are not tied with staffing guarantee. Changes have already been recognized in the Police Department. Two lieutenant positions were eliminated and the new hires for those two vacancies are patrol officers. In addition, an administrative police officer is now out as a patrol officer. Mr. Lathrop stated that proposal 2 maintains the same level of service.

Mr. Lathrop noted that the operating expenses for the Police and Fire departments always came from the General Fund. The Police and Fire millage was created to reduce some of the cost from the General Fund. The gap has always been paid from this fund.

David Micallef, St. Clair Shores, thanked Mr. Rubino for showing good diplomacy. He talked about the two proposals and how residents want a guarantee for their money. Proposal 2 was initiated by 3,600 residents, whose signatures were collected in 12 days. He added that not all the facts are expressed to the residents.

John Diehl, St. Clair Shores, suggested advertising and televising budget workshops to educate the public. Mr. Diehl pointed out that the difference between proposals 1 and 2 is approximately \$700,000, unless the anticipated savings from staffing is higher than that.

Joseph Backus, St. Clair Shores, noted the 9 Mile and Mack area survived without a gas station for a long time. Mr. Backus encouraged people to vote to give direction to the government.

Mayor Hison thanked everyone for their comments and asked voters to do their homework.

11. REQUEST TO ENTER CLOSED SESSION AS PERMITTED BY STATE STATUE MCLA 15.268 SECTION 8(e) ST, CLAIR SHORES V MARSHALL MARINE CONTRACTING

Motion by Walby, seconded by Rubino to enter Closed Session as permitted by State Statute MCLA 15.268 Section 8(e) Roxanne Burden v St. Clair Shores at 9:50 p.m.

A roll call vote was taken.

Ayes: All – 5

Absent: Frederick, McFadyen

Motion by Walby, seconded by Rubino to return to Open Session at 10:01 p.m.

Ayes: All – 5

Absent: Frederick, McFadyen

Motion by Walby, seconded by Rubino to proceed as discussed by the City Attorney regarding Roxanne Burden v St. Clair Shores.

Ayes: All – 5

Absent: Frederick, McFadyen

12. ADJOURNMENT

Motion by Walby, seconded by Rubino to adjourn at 10:03 p.m.

Ayes: All – 5

Absent: Frederick, McFadyen

ROBERT A HISON, MAYOR

MARY A. KOTOWSKI, CITY CLERK