

**MINUTES  
ST. CLAIR SHORES CITY COUNCIL MEETING  
JANUARY 3, 2012**

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

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

Also Present: City Manager Hughes, City Clerk Kotowski, Directors Haney, Rayes, Esler and City Attorney Ihrie.

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

Mayor Walby called the meeting to order at 7:00 p.m. Ms. Kotowski, City Clerk, called roll. A quorum was present. The Pledge of Allegiance was recited by those in attendance at tonight's meeting.

Mayor Walby announced that Item #14 has been removed from the agenda and will be rescheduled to 1/16/2012.

**2. PROCLAMATIONS & PRESENTATIONS**

a. Swearing-In Ceremony for new Council Member John D. Caron by Judge Oster, 40<sup>th</sup> District Court Judge

Judge Oster congratulated Mr. Caron. Mr. Caron is a lifelong resident of St. Clair Shores. He is a smart, hardworking, high-caliber individual, and he will work well with Council. Judge Oster then administered the Oath of Office.

Mayor Walby invited Mr. Caron to join them at the table. He then congratulated him and said that everyone is looking forward to working with him.

Mr. Caron thanked everyone for selecting him and thanked Judge Oster for doing him the honor of swearing him in. He promised to serve the St. Clair Shores residents well and do the best job he can.

b. Pond Hockey Winter Classic January 20 – 22, 2012

Mr. Esler, Parks and Recreation Director, said that there will be a meeting of the group on Thursday to decide if they will change the date to the alternate date of February 10-12. They will not put hockey players on the ice if it is not safe. Risk Management has been involved with the process from the start, and Mr. Esler is confident that they will use the alternate date if it is not safe on January 20-22, 2012.

Mr. Esler said that there are 64 teams currently registered for the tournament, and there are 32 teams on a waiting list. They stopped at 64 teams because it is the right size in order to do a good job and to ensure that it is a great opportunity for everyone. He stated that they get new sponsors every day. There are seven or eight on the City website right now. He said that there has been quite a buzz about this tournament bringing lots of people into the City. Tomorrow at 6:00 Channel 7 will be coming to the arena to talk about the tournament.

Mr. Esler explained that the only money spent of the \$10,000 in TIFA money that they received for the tournament has been used to purchase two banners to be posted on Jefferson. The money is appreciated, and it will not be used until tournament time in order to bring people into St. Clair Shores.

Mayor Walby clarified that if the tournament needs to be rescheduled because of the weather the dates will be February 10-12, 2012.

**3. AUDIENCE PARTICIPATION ON AGENDA ITEMS (2 minute time limit)**

[Submit form to City Clerk prior to start of meeting]

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

Jim Goodfellow, St. Clair Shores resident, Item #7a. He is in favor of renewing the three year contract for the café, and he hopes that Council will consider holding the cost of rent for the full three years because of the tough economy. He also asked if Council would consider naming a room at that golf course after Mayor Hison since he is quite a golfer.

Michael Way, St. Clair Shores resident, Item #5. He thanked Council for considering the sale of the lot at 22100 Grand Lake. He also thanked Chris Rayes and Ben Hughes for their hard work and patience while working with him. Purchasing this lot has been a dream of his for over two years. He spoke to Council six months ago about this. He is a landscaper and master gardener for the City of Grosse Pointe Shores. He plans on putting up a privacy fence in the back yard and heavily landscaping the front and back yards. He hopes to beautify the area and help raise property values.

Chuck Hall, St. Clair Shores resident, Items #5 and #4. He questioned the appraisal done for the property at 22100 Grand Lake. He has seen much smaller properties around St. Clair Shores going for much higher dollar amounts than that. He asked Council to make sure that any piece of vacant property owned by the City is given a fair appraisal which determines its value. Regarding Item #5, the amounts listed are for over a period of ten years, but they are asking to replace the carts on a five-year cycle. If a five-year cycle is chosen, then there will be two cycles in the ten years. This additional \$50,000 was omitted from the package. Adding this would make the amount way over \$500,000. The proposed \$1 fee may not be the cure all.

Bruce Karash, St. Clair Shores resident, Item #8f. He said that the notices in the newspaper are inadequate in that the print size is too small. In November, he received a letter from the City Clerk regarding the dredging. He is an opponent of the dredging which will cost about \$250,000, and his share will be about \$6,000. His neighbor's share will be \$11,000 because of the way it has been apportioned. Someone said that there is 4 feet to 5 feet of silt which is preposterous, and Council has taken no oversight on that issue. They say they need 2 feet of depth for navigation, and he has 2 feet in front of his house. There is no evidence of a survey having been done of what the depth of the canal is. You say two boats per home regardless of the size of your lot, and if that is the case why should one person pay \$11,000 and one pay \$3,500. The ordinance for the SAD lacks procedural oversight and prejudices a number of homeowners. Please consider that at the next meeting.

**4. RECOMMENDATION FROM THE GOLF COURSE COMMITTEE TO IMPLEMENT A \$1 CAPITAL IMPROVEMENT FEE ON ALL ROUNDS OF GOLF IN 2012**

Mr. Hughes, City Manager, gave an overview of this item. He said that he and the previous Mayor are voting members of the Golf Course Committee. Every fall the Committee looks at the season that just completed and ahead at the future season. They were given a price analysis with a fee structure of competitive courses that are near St. Clair Shores which gave them an idea of the cost to play a round of golf.

Mr. Hughes said that the Committee discussed capital needs and establishing a capital improvement fund for the golf course as well as to keep the rates unchanged in 2012 with the exception of adding a \$1 capital improvement surcharge. Anyone who comes to play a round of golf in 2012 will be assessed a \$1 fee which will be put in an escrow account, and the Finance Department will maintain this account to be used for future improvements at the golf course only. It will not be used for any other aspects of government. This user fee is necessary for the golf course to remain competitive as we look ahead at repairs such as golf carts, bridges and the 300 trees that need to be replaced.

Mr. Hughes explained that in order to do these repairs in the future the Council would have to approve a request to use money from the General Fund if this \$1 fee is not approved. If Council votes to approve this fee, it will help offset the costs and lessen the need to request the use of General Fund money at budget time. At the November 30, 2011 meeting of the Golf Course Committee, a recommendation to increase green fees by \$1 across the board was made for consideration by City Council.

Mr. Dorner, Golf Course Superintendent, added that when they are talking about a Capital Project that includes all infrastructure items for the golf course including golf carts. It does not include equipment purchases for maintenance. The golf course currently pays into the City's Motor Pool Fund for items such as mowers, utility carts, tractors, etc. are currently funded.

**4. RECOMMENDATION FROM THE GOLF COURSE COMMITTEE TO IMPLEMENT A \$1 CAPITAL**

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**IMPROVEMENT FEE ON ALL ROUNDS OF GOLF IN 2012 (Cont'd.):**

Ms. Rusie asked what happens to the money if the golf course generates a profit, and why isn't it being used to sustain it.

Mr. Dorner explained that historically the revenues exceed expenses. The course is currently tied to the Recreational Revenue Bonds, and that money is counted on for different things within the Recreational Revenue System. The reason they want to increase this way is to be able to not affect the current budget and be able to start fresh and establish a fund so that planning can be done for future funding. This is for things that are coming down the road and capital money may be tough to come by throughout the City.

Ms. Rusie asked if the profits go to the golf course as well as to support, sustain and subsidize other things in the Parks & Recreation Department. Mr. Dorner responded that was correct.

Mr. Dorner explained that the \$50,000 estimate was based on an average of 50,000 rounds of golf. In a bad weather year, they have 46,000 to 47,000 rounds of golf, and in an exceptionally good weather year they have exceeded 50,000 rounds of golf.

Ms. Rusie questioned if the \$1 increase may adversely affect the estimate of 50,000 rounds of golf, and Mr. Dorner said he did not think it would. The last increase in rates was in 2008 and was still significantly lower than all the competition. Based on a survey, our golf course will still be competitive with those courses.

Mayor Walby explained that the Recreational Revenue is used to fund the golf course and the marinas at 11 Mile Road and Blossom Heath. In the 1990s, these were all combined, and there is still a bond issue that will be paid in 2016. In order to get the bond at that time, it was pledged that the revenue from the golf course would be put toward the bond. Unfortunately, the marinas are not profitable, and the Recreational Revenue is not a profitable enterprise. We do subsidize that from General Fund dollars. We had to lengthen the bond six or seven years ago because of financial hardship due to the poor economy.

Mr. Caron asked why the golf carts are considered in the Capital Outlay Fund versus an Annual Maintenance Fund/Replacement Fund.

Mr. Dorner said that as long as he has been at the golf course the carts have been capitalized. Taking them as an operating expense would reduce the bottom line and the money which is given back to the Recreational Revenue Fund. The decision was made to capitalize these items because they are used for a number of years and replaced. He did some research on this and talked to the distributor where the City gets golf carts. He was told that approximately 40% of municipal and county-run courses do what is termed as a municipal lease. To do this would cost the City \$62,000 to \$63,000 a year over a five-year period, and then we would own the carts but then you are back into that cycle again.

Mr. Haney, Finance Director, said that we have specific capitalization policies that we follow. Any expenditure of \$2,500 or more with a life expectancy of more than one year is considered a Capital purchase.

Mr. Caron asked if the actual number of rounds of golf in 2011 was available. Mr. Dorner did not have that information, but he said they do feel comfortable with the estimate of 50,000 rounds plus/minus 2,500.

Mr. Caron asked if any research has been done on getting grant money for the tree replacement and if that will be done through the Outlay Fund if we cannot get the grant.

Mr. Rayes, CDI Director, explained that we have applied for a grant through DTE but it cannot be done in back-to-back years, and this is the year we cannot apply. The grant includes a \$3,000 grant to match a \$3,000 City match.

Mr. Caron asked why the Golf Course Committee decided not to increase the fees at their October meeting but then decided to ask for the increase at their November meeting.

Mr. Dorner explained that historically rates and proposed increases are discussed at the October meeting. However, that was Mayor Hison's last meeting, and it was determined that they should wait until the November meeting to make that decision so that the issue would go in front of the new Council to be voted on.

**4. RECOMMENDATION FROM THE GOLF COURSE COMMITTEE TO IMPLEMENT A \$1 CAPITAL**

**IMPROVEMENT FEE ON ALL ROUNDS OF GOLF IN 2012 (Cont'd.):**

Mayor Walby said that he knows this will come up at budget time, and he will be asking if the carts can last another year. Mr. Dorner said they probably could wait another year on the carts. He explained that it is the battery life that lasts about five years, and to replace a battery is approximately 40% to 45% of the residual value of the cart. Because the golf course does not have a lot of hills and there is a great maintenance staff, they are usually able to stretch the life of the batteries an extra year or two.

Mr. Vitale asked if we trade in or sell our carts.

Mr. Dorner said that we have been successful in selling our carts. We usually get the high end value of the carts. He recently spoke with a representative and discussed the fleet. The trade in value at this time is \$1,100 to \$1,500 which has to do with the battery life left in the carts. Comparable carts are selling for \$2,200 to \$2,400.

Mr. Vitale asked how old the oak plank bridges are. Mr. Dorner said that the bridges are 20+ years old because they have been maintained well.

Mr. Vitale suggested researching the replacement of the oak bridges with composite bridges and possibly covering the cost with a sponsorship opportunity. He also asked about allowing cross-country skiing at the course in order to bring in more money and utilize the grounds in the winter.

Mr. Dorner said that both of those ideas are things they are willing to look at.

Mayor Walby pointed out that if this is approved the Committee would still come in front of Council to determine how to spend the money and what the projects would be. Mr. Hughes agreed and said that it would be done either as an annual budget request or as an agenda item.

Mr. Frederick asked if the \$1 would be for a 9- or 18-hole round of golf. Mr. Dorner explained that all rounds would be counted, so it is actually \$1 per start.

Mr. Tiseo asked if any of the \$50,000 is not spent would it stay in that fund to use toward larger capital projects, and he asked when was the last time the golf course came before Council with a request. Mr. Dorner said yes the money would accumulate in the fund, and the last time they made a request was for an irrigation system approximately four years ago. They borrowed \$500,000 from the utility fund, and the golf course is paying it back over a five-year period. This will not have to be addressed again for another 25 years.

Mr. Rubino said that he has always felt that our facilities should charge an extra fee to be used to reinvest in the facility to keep it top notch. This is a great idea and the golf course is a great value.

Mayor Walby mentioned that the Recreational Revenue in this current fiscal brings in \$266,000 worth of General Fund dollars in order to keep it whole.

**Motion by Rubino, seconded by Frederick to approve recommendation from the Golf Course Committee to increase all green fees by \$1 in 2012 to establish a capital project fund separate from the Recreational Revenue Fund.**

Ayes: All – 7

**5. REQUEST TO SELL VACANT PARCEL ACQUIRED THROUGH \$1 HUD PROGRAM (FORMERLY KNOWN AS 22100 GRAND LAKE) TO MICHAEL WAY**

Mr. Rayes said that this property was acquired through the \$1 HUD Program. They applied to HUD for a waiver for the restrictions on the parcel. The structure was demolished, as the necessary repairs were greater than the resale value. As directed by Council, they have looked into the possibility of selling this vacant property to Mr. Way. There was an appraisal done which was \$5,000, and they negotiated a sale price of \$6,500. We are losing money on this parcel, but we have generated a gross profit of nearly \$200,000 from the \$1 HUD program, and this parcel sales loss has already been absorbed by those profits. At a previous meeting, Council earmarked these dollars to be used toward the purchase of the fourth ambulance.

**5. REQUEST TO SELL VACANT PARCEL ACQUIRED THROUGH \$1 HUD PROGRAM (FORMERLY KNOWN**

**AS 22100 GRAND LAKE) TO MICHAEL WAY (Cont'd):**

Mr. Rubino asked when we first looked into selling this property. Mr. Rayes responded that it was about one year ago.

Mr. Rubino wanted to know why it took so long. Mr. Rayes explained that there were some issues with the waiver and going through the HUD regulations. Part of the documents signed by the previous City Manager had four or five criteria that had to be part of that purchase. Mr. Way did not qualify for the HUD guidelines so they had to go back and ask for a waiver on that.

Mr. Rubino pointed out that the comparables used did not have lot sizes noted, and he wanted to know if they were comparable in size. Mr. Rayes said that the appraiser used a per foot cost which is the appropriate rate for today's market.

Ms. Rusie expressed that it would have been nice to get a memo with the background and history on this in advance of the meeting. She said thank you for the work on getting the restrictions waived and asked if that was done specifically for Mr. Way or would this have been done for any buyer. Mr. Rayes stated that the property was listed and put on the market, and Mr. Way was the first buyer to put in an offer.

Mr. Vitale said that a resident on Garfield asked about purchasing the vacant lot next to them and wanted to know who they should contact in that regard. Mr. Rayes said that they should contact him.

Mr. Vitale said he was happy to have a resident purchase this who wants to improve the property.

**Motion by Vitale, seconded by Frederick to approve a request to sell vacant parcel acquired through \$1 HUD Program (formerly known as 22100 Grand Lake), to Michael Way for \$6,500.**

Ayes: All - 7

**6. REQUEST TO APPROVE THE SALE OF A CONDO LOCATED AT 28111 JEFFERSON UNIT 2 BLDG B**

Mr. Rayes explained that the City purchased a unit at the Sunset Strip condominiums in July 2011, from the County tax foreclosure properties, in the amount of \$4,127.29. Attached is an expenditure sheet for the improvements that were made. An offer of \$17,500 has been received for this property. A revised purchase agreement will be sent electronically, once it has been received.

Mayor Walby mentioned that this was part of the tax foreclosure, and we purchased 16 or 18 pieces of property from the County.

Mr. Rayes said that he did not know the exact number of properties, but they consisted of several substandard properties such as small lots less than 35 feet, some were unbuildable, there were a couple buildable lots, three homes were demolished on Harper Lake, Shady Lane on Dorian. We were left with four homes and the condo. Three of the homes are almost ready to be put on the market, the fourth home we will get bids next week. He will provide a spreadsheet of the purchase and sale and add in each home as it is sold. He stated that we hope to cover all of the costs on the loser homes.

Mr. Caron asked if all the paper work is now in order on these. Mr. Rayes explained that because of the deadlines for Council meetings, the paperwork is not always in order for those deadlines and sometimes information is incomplete when it goes before Council.

Mr. Caron asked about the formal appraisal.

Mr. Mario Como, Realty Executives Select, explained that they started marketing the unit in mid-September. At that time, the average price of a one bedroom condominium in St. Clair Shores was \$16,115. He recommended listing the unit for \$20,000, and it was listed for \$24,900. There were 12 potential buyers who viewed the property. The client made an offer on December 21, but it was decided that the offer was not in the best interest of the City. They

**6. REQUEST TO APPROVE THE SALE OF A CONDO LOCATED AT 28111 JEFFERSON UNIT 2 BLDG B (Cont'd):**

worked hard to get the offer to \$17,500 cash which is above the average going rate. The buyer provided evidence that she has funds to close. Logistically he asked for a new offer to present to Mr. Rayes and the Council because when she made the offer she was not in the presence of a realtor.

Ms. Rusie said she checked the comparables, and the listing price was good and the selling price was on the low side but good.

Mr. Como said that the biggest challenge was that a number of interested parties were investor clients, and the treasurer at the condo said that they are against that. They only allow 10 rentals of the 44 units and they have 10 currently. This will be owner occupied.

Ms. Rusie noted that we have incurred some holding costs in terms of maintenance and association fees since we acquired this unit.

Mr. Como stated that he spoke to the treasurer and explained that the City has not received any invoices. He was told that the condo will not be issuing any invoices but expects to be paid at the time of closing for those costs.

Mr. Rayes said that we have not made any payments, but the costs have been accounted for.

Ms. Rusie asked for the net out on this. Mr. Rayes said that the net out amount to the City will be \$3,119.81 which is our total profit.

Ms. Rusie stated that going forward she would like to see the net out costs without having to request it. She would also like to see a copy of the listing ticket.

Mr. Rayes explained that they usually do provide the net out cost, but this time was an unusual circumstance. In the future they will provide both the net out cost and the listing ticket.

**Motion by Rubino, seconded by Tiseo to approve a request to approve the sale of a condo located at 28111 Jefferson, Unit 2, Bldg. B for \$17,500.**

Ayes: All - 7

## **7. BIDS/CONTRACTS/PURCHASE ORDERS**

### **a. Consideration of a 3 year extension of the Dockside Café contract for the operation of the Library Café**

Mr. Hughes explained that we have a small restaurant space in the Library called the Dockside Café which is run by a private operator. Their lease agreement will expire in the middle of February, and they are in their third and final year of the agreement that was executed in 2009. City staff is charged with keeping an eye on their operations on a quarterly basis. We have been pleased with the last three years. Mrs. Orlando, Library Director, has stated that this has added value for Library. They have been a good steward of the space, and they respond to our needs. Mr. Hughes has spoken with the owners about his support of a renewal of the three year agreement. Year one keeps the rent at \$700, year two again would be \$700, and the third year would increase by \$100 to \$800 per month.

Mr. Vitale asked if this was the structure that the leasee preferred, or would they prefer it broken down differently.

Mr. Louie Economopoulos, Operator of the Dockside Café, stated that he was okay with this proposed structure.

Mr. Vitale pointed out that previously we were only collecting \$100 per month and that now they are doing a great job.

Mr. Rubino said the he has always been in favor of giving extensions to two of the facilities that the City owns without bidding them out, and they are the two restaurants. It would not be fair to have them build a business over three years and then lose them over a \$50 a month rate increase.

### **7a. Consideration of a 3 year extension of the Dockside Café contract for the operation of the Library Café (Cont'd):**

Ms. Rusie asked if the monthly rent is enough to cover the water and electricity and if anticipation of these costs going up is justification for the raise in rent in the sixth year. Mr. Hughes said it is. He did not want the increase to be cost prohibitive, just enough to help with a probable increase in the Consumer Price Index to help the City cover these costs.

Mr. Frederick mentioned that we cover the equipment maintenance if something breaks down over \$250, and he wanted to know the current status of the equipment.

Mr. Economopoulos said that there were some issues which he had taken care of himself.

**Motion by Rusie, seconded by Caron to approve the recommendation of the City Administration for a 3 year extension of the concession agreement with the Dockside Café, Inc. with a monthly rent for this extension in Year 1-\$700/month, Year 2 - \$700/month and a Year 3 rent reopener for consideration of an increase up to \$100 per month by Council.**

Ayes: All – 7

b. Award bid for gasoline and diesel fuels

The MITN purchasing group bids out delivery of gasoline and diesel fuel. The commodities are bid two ways, truck transport (the big 18 wheel kind) and tank wagon (for smaller deliveries). We take truck transport deliveries at the DPW and tank wagon deliveries at the golf course. The current bids are good through January 2014 with an option to extend the terms and conditions an additional two years upon mutual consent.

Mr. Haney said that these purchase order requests are usually presented with the blanket purchase order earlier in the year. These bids are expiring at the end of January so they have been rebid through MITN. Sterling Heights took the lead on this. What we bid out was not the actual purchase price of fuel and gas, it is the delivery of the fuel and gas. This is a two year bid with an option to extend it another two years. The one expiring was also a two and two with an extension of one year.

Mayor Walby explained that we are basically piggybacking on the Sterling Heights bid.

**Motion by Frederick, seconded by Rubino to award a blanket purchase order for truck transport of regular unleaded gas to Petroleum Traders for \$214,000 per year, diesel #2 to RKA Petroleum in the amount of \$126,000 per year and for tank wagon delivery to Atlas Oil for \$15,000 per year at the respective bid factors listed herein.**

Ayes: All – 7

8. CONSENT AGENDA *Items shall be considered without debate by motion and vote of Council, unless a member of Council specifically requests action taken separately on said item*

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

a. Bills

January 3, 2012 \$2,825,909.08

To approve the release of checks in the amount of \$2,825,909.08, of the report that is 19 pages in length and of the grand total amount \$2,825,909.08, \$513,464.74 went to other taxing authorities.

b. Fees - None

8. CONSENT AGENDA (Cont'd):

c. Progress Payments

Italia Construction, Inc. \$120,900.98

d. Approval of Minutes

To approve the following minutes:

<u>City Council</u>	<u>Meeting Date</u>	<u>Date E-Mailed</u>
City Council	December 5, 2011	December 29, 2011
City Council Study Session	December 12, 2011	December 29, 2011
City Council Special Meeting	December 17, 2011	December 29, 2011

e. Receive & File Boards, Commissions & Committee Minutes

<u>Minutes</u>	<u>Meeting Date</u>	<u>Date E-Mailed</u>
Golf Course Committee	October 28, 2011	December 29, 2011

f. Request to schedule a public hearing on the Special Assessment District - Bayview/Lakecrest Canal dredging for the improvement of the canal through dredging to review the assessment roll and hear objections to the confirmation of the special assessment roll

Ayes: All – 7

9. UPDATES AND FOLLOW-UPS FROM COUNCIL MEETING

Mr. Hughes addressed the following updates and follow-ups:

**Advertising of Nonprofits and other Community Organizations** – We do have the capacity to advertise through our Communications Department. We encourage any organizations interested in using this as a means to advise residents of special events to contact Mary Jane D'Herde our Communications Director. If it is a City-sponsored event, we will put a scroller and utilize the cable access television station to have pop-ups for several weeks at no charge. There will be a \$20 fee for a nonprofit that is not a City event, and this will be used to cover staff and programming expenses.

**Beste/Lange Neighborhoods** – There have been concerns about the water that accumulates on the street during rainfall or snowfall as well as flooding in basements. For the residents in those two neighborhoods, the sanitary sewer system is separate from the storm water system. Any water above the street is something that we have tried to address by clearing the lines for water to run off. Sanitary sewers are different, and we will handle these on a case-by-case basis. If it involves tree roots growing in the main going into the house, that is the responsibility of the private homeowner. We will be happy to help research this, but 99 times out of 100 it is a sanitary sewer problem.

**NSP** – We have sold eight homes, and the last one left is 21704 Colony. We have an offer of sale, however, we have given some extensions to the purchaser.

Mayor Walby offered congratulations to Bryan Babcock, DPW Director, for passing the S-1 Water test on his first try. Mr. Hughes explained that this is for a State recognized license to operate a water system, and it is very difficult to obtain. This is a benefit to the City, and it will be a cost savings as well.

10. COMMENTS BY INDIVIDUAL COUNCILPERSONS

**Council Member Tiseo** said Happy New Year to everybody. He then congratulated Mr. Caron and stated that he is quite confident that they made the right decision in choosing him.

**Council Member Frederick** welcomed Mr. Caron and wished everyone a Happy New Year. He said the City calendar will be mailed out mid-January. The delay was because they were waiting for a picture of the newest Council member.

10. COMMENTS BY INDIVIDUAL COUNCILPERSONS (Cont'd.):

Mr. Frederick announced a Spaghetti Dinner scheduled on Monday, January 16 from 5 p.m. to 8 p.m. at Lakeland

Manor which is being held to help out a longtime City volunteer, Maureen Moore, who was recently rediagnosed with cancer. She has given tirelessly of her time to help out others, and we want to help her out with this. Ticket cost is \$20. There will be a cash bar available.

**Council Member Vitale** said that he had been asked if we allow transient boaters to use our City pool. The answer is yes, but they must occupy a marina boat slip and purchase a one-day slip pass for \$20. A nonresident cannot just walk up or drive up to do this. This has been a practice for a number of years now, and it keeps us competitive. It is not new.

Mr. Vitale said that he has received comments from residents that the streaming on our website does not play well, it freezes and locks up. He would like to know if we can try a new streaming system like Ustream instead of Real Player. Ms. Mary Jane D'Herde, Communications Director, said she will pass this comment along to the IT Department for follow up at the next meeting.

Mr. Vitale commented that he thinks it is fortunate that our City does not have to make decisions like closing our Library like other cities are doing, and he attributed that to the City being well run in the past, and hopefully we will continue to move ahead the same way.

**Council Member Caron** announced that he will be working with Mr. Hughes to become familiar with the City operations throughout the month of January.

Mr. Caron talked about the PCB contamination cleanup project. He attended the EPA open house, and he talked to the various representatives that were there. He was not happy with what they were presenting regarding the information itself. It was confusing, and he felt sorry for residents attending. He contacted both of the representatives that were there and expressed his concerns, and he asked them to do better next time. He plans to make this issue a big priority for himself. If any resident has questions, comments or concerns, please contact him, and he will contact the EPA himself. His number is 586-777-0611, and his email is [caronj@scsmi.net](mailto:caronj@scsmi.net). Both of these are posted on the City website and in the new calendar.

Mayor Walby thanked Mr. Caron for offering to take the lead on this PCB issue, and he knows Mr. Caron is going to be a great asset for this project.

**Council Member Rusie** welcomed Mr. Caron. She then stated that she will be looking into the possibility of having the actual content on the City website handled by the Communications Department rather than the IT Department.

Ms. Rusie announced:

The SCS Firefighters Local 1744 is having their 21<sup>st</sup> Annual Bowling Tournament on Saturday, March 3, 2012. Proceeds will go to the Great Lakes Burn Camp, Macomb Literacy Partners and the St. Clair Shores Special Needs Playground Program. They are looking for bowlers and donations with a squad starting at 9:30 and one starting at 1:30. Each squad can accommodate up to 200 people.

The Senior Center will be participating in a weight loss competition. They are going up against the Clinton Township Senior Center for 15 weeks to shed some pounds. Their team name is the Chunky Monkeys. They are looking for 25 individuals 50 years old or older to join the team. The cost is \$25. Weigh in is January 10. Stop in or call for more information.

The 3<sup>rd</sup> Annual Community Celebration of the Dr. King National Holiday in St. Clair Shores on January 16 from 5 p.m. to 6:15 p.m. to be held at the Lake Shore Auditorium.

ONE SCS which is a local organization Presents Dr. Laura Reese on January 12 at the Senior Center from 7 p.m. to 9 p.m. It is an educational forum on economic development and TIFA. Everyone is welcome.

Ms. Rusie asked about the 100 unit water bills which have been discussed in the past. She wanted to know if residents are being sent explanation letters or just the bill. People panic when they get these large bills, and that is not resident-friendly.

**10. COMMENTS BY INDIVIDUAL COUNCILPERSONS (Cont'd.):**

Mr. Hughes explained that in the past we just sent the bill. We now put an explanatory letter in there. We are trying

to determine a way to notify residents that is just the right balance so that people do not overreact but they do not ignore the issue for several quarters either. There was a study session done recently, and we will have answers shortly.

Mayor Walby said that he would like Mr. Smith to move quickly on this issue and have it for the next Council meeting. Mr. Smith can email a response to Council so that it can be addressed quickly.

**Council Member Rubino** said he was under the impression that the 100 unit bill was a last resort and that two letters were sent before issuing a 100 unit bill. We should not send a \$700 or \$800 bill without trying to let the resident know something is wrong first. He said that the two people who contacted him did not get any letter they just received the 100 unit bill.

Mr. Hughes explained that we cannot personalize each bill, but we will let residents know before sending the \$700 to \$800 bill in the future.

Mr. Rubino congratulated Bryan Babcock for passing the S-1 test. He asked if we had been paying an engineering firm to provide us with that service. Mr. Hughes said that AEW had been providing that service, and we no longer need to do that. Today was the last day.

Mr. Rubino asked if there have been any updates to any of the water meter questions.

Mr. Hughes explained that they are putting all of that together in a memo that will be going to Council.

Mayor Walby suggested that when the letters regarding the water meters are sent out there should be some kind of delivery receipt included or some type of assurance that the resident has gotten the notice.

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

Mr. Hughes mentioned that the upcoming 21<sup>st</sup> Annual Firefighters Bowling fundraiser to be held March 3, 2012 is a wonderful event and a worthy cause.

Mr. Hughes also said that the December 21<sup>st</sup> blood drive was successful. There were 72 people that attended, and they collected 55 of those 72. He said everything went well, and he thanked the residents and the staff.

#### **12. AUDIENCE PARTICIPATION (5 minute time limit)**

Lee Copp, St. Clair Shores resident, is concerned about not having a crossing guard for the middle school students on California. His daughter was almost hit by a car when crossing California on a school day. This has been an ongoing problem. He was in contact with the South Lake Superintendent last year and received a prompt response that this was a police issue. This year he wrote to the Chief of Police, and both the Chief and Officer Willette responded to his note within 24 hours. He has a copy of these letters for Council. There is a problem that needs to be resolved. This is a disaster waiting to happen.

Mayor Walby asked Mr. Hughes to get with South Lake regarding this issue.

Jamie Victory, St. Clair Shores resident, wished everyone a Happy New Year. He said he has been working very hard to attend the Parade Committee meetings. He filled out an application to be on that Committee, and he would like to know the status of his application.

Mayor Walby said that the next meeting of the Sub-Committee is January 24, and he should hear something after that.

Jim David, St. Clair Shores resident, spoke about the dredging project. He has been heading up the project for Bayview and Lakecrest. They have collected over \$126,000 which has been deposited with the City. They have also gotten two more residents that had not originally signed. There is at least 4 feet to 5 feet of silt in that canal, and it has never been dredged in 70 years. This needs to be done for the benefit of everyone that lives on the canal so that they can keep their boats on their canal.

#### **12. AUDIENCE PARTICIPATION (Cont'd.):**

Don Lobsinger, St. Clair Shores resident, spoke about his objections to the previous Mayor participating in the program

sponsored by the Michigan Roundtable of Diversity and Inclusion which paid tribute to Martin Luther King. He is asking that the Mayor and the Council refrain from participating in the event this year.

Mayor Walby stated that he cannot tell anyone on the Council what events they can attend. It is up to them.

Patrick Biange, St. Clair Shores resident, thanked the 539 residents that voted for him. He wants St. Clair Shores to have a bigger rainy day fund and to rethink how we budget our money which will bring more people to the City. He wants a Community Center, a wide bike path and a lower speed limit on the Nautical Mile.

Ralph Kosal, St. Clair Shores resident, spoke about a garage on Revere Street that needs to be demolished. Bank-owned homes should have to follow the same regulations as homes owned by residents. If they are held to the same standards maybe they will turn houses over sooner and get people living in them. The blight problem is everywhere but the bank-owned homes are a big part of the problem. He added that we should have exterminators handling the rat issue instead of landscapers, and rental home owners should be held responsible for the condition of their properties.

Mayor Walby explained that the property on Revere Street is in Circuit Court right now with Wells Fargo. The rodent contract was bid out, and the bid was awarded to a contractor that met the specifications on the bid document.

### **13. MAYOR'S COMMENTS**

Mayor Walby asked if the Ponderosa building has been torn down and if everything is in order to get things going with AutoZone. Mr. Rayes said that there were issues between the land lease owner and the property owner in terms of utilities, and these have been resolved. Our only issue is a utility issue.

Mayor Walby asked for an update on the Frost Shop at 9 Mile and Jefferson. Mr. Rayes explained that it was part of an anti-blight case from three years ago. It has been through Circuit Court, planning and zoning, and due to lack of action, Mr. Ihrie's office asked for immediate demolition. Now there is just a bit of clean up left to do.

Mayor Walby asked for the status of Biggyby Coffee at 11 Mile and Harper. Mr. Rayes stated that he and Mr. Hughes have been in contact with the developer, and they are having problems with Charter One Bank and the State regarding Brownfield and the tanks. We have offered to intervene if necessary. Hopefully that project will start in April.

Mayor Walby asked why things are moving so slow at Butter Run, they still have the sidewalk blocked. Mr. Rayes will talk to the land owner about getting that cleaned up. They have had setbacks which slowed things down.

Mayor Walby asked what we are doing about the old Shorecrest Lanes and Manzella's Market properties. Mr. Rayes said that he has been in contact with the receiver for the Manzella's property, and he has reached out to several developers about that property. The 9 Mile and Harper project is progressing.

Mayor Walby wants to ensure we are being aggressive and doing everything we can to entice development into those areas. Mr. Rayes said that they are offering to do more than they are asked to do. If they are not asked to do anything, they call and offer to do things. If there are any incentives out there to offer, they make sure they use them as enticement.

Mr. Hughes added that he and Mr. Rayes have gone out and visited many possibilities personally. We should be proud of how much we brought in last year during a slow year. Biggyby Coffee, three new businesses on the Nautical Mile, AutoZone wanting to take over Ponderosa and Pegasus may expand their operations. We took a blighted corner at 9 Mile and Harper and made the demolition happen. We reused a building to open a second Tim Horton's. Charlie's Restaurant had a successful opening and is planning to expand their business. Our community has supported our restaurants, and our City is an environment to be proud of.

### **14. ~~REQUEST TO ENTER CLOSED SESSION AS PERMITTED BY STATE STATUTE MCLA 15.268 SECTION 8 (E) BCP LIMITED VS ST. CLAIR SHORES -- Item Removed~~**

### **15. ADJOURNMENT**

**Motion by Rubino, seconded by Rusie to adjourn at 9:07 p.m.**

Ayes: All – 7

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KIP C. WALBY, MAYOR

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MARY A. KOTOWSKI, CITY CLERK

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