

**MINUTES
ST. CLAIR SHORES CITY COUNCIL MEETING
FEBRUARY 6, 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 Rayes, Claeson, and City Attorney Ihrle

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 and the Pledge of Allegiance was recited by those present.

2. PROCLAMATIONS & PRESENTATIONS – PASSPORT FAIR MARCH 10TH

Ms. Kotowski announced that the City Clerks Office will be participating in the National Passport Fair Day to be held on Saturday, March 10th from 10 a.m. – 3 p.m. It's open to St. Clair Shores residents and non-residents. A flyer will be posted at all City buildings with pink reminder sheets attached. Only new passports will be processed (no renewal forms will be processed). The documents needed for a new adult passport is original birth certificate with a raised seal, or Naturalization Certificate, drivers license, and passport application which can be picked up at the City Clerk's Office or online at <http://travel.state.gov>. Checks or Money Orders only are accepted – credit cards are not accepted. Adult passports are good for 10 years and passports for minors (under age 16) are good for 5 years. Passport cards are also available for processing, but unlike a passport book, they are only applicable for land and sea travel.

Over the last eight years St. Clair Shores revenues for passport processing has been \$121,800 and 4500 residents have been serviced.

The St. Clair Shores City Clerk's Office will not be processing passports from February 21 – March 1 due to the election. Ms. Kotowski thanked Mayor and Council for supporting the program.

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

Jim Goodfellow, St. Clair Shores resident, Item #5 and #7. Regarding Item #5, Mr. Goodfellow stated that he presumes the St. Clair Shores Hockey Association and the Figure Skating Club carry insurance and asked if there was a hold harmless for the City. In regards to Item #7, Mr. Goodfellow stated that he comes through City Hall quite a bit and he hears residents complaining about their water bills, sometimes as high as \$700.00. He asked if it was a meter reader problem or a billing mistake.

John Burtch, St. Clair Shores resident, Item #5. Mr. Burtch stated that what's on the surface is the Use aspect. As you expand the recreational facilities you have to give consideration to businesses within St. Clair Shores and you are competing with and cutting into private businesses. From a business perspective, he believes, you should give exclusive use to the Hockey Association and Figure Skating Club.

Annette and Paul Cybart, Item #5. Mr. and Mrs. Cybart stated they are speaking on behalf of their business. Two years ago they moved their business into St. Clair Shores and opened a 24-hour women's only workout business. Recently they expanded their business to include Zumba exercises. Lately they have been trying to maintain their business through the struggling economy. She said she found out about St. Clair Shores opening their fitness room from one of her members. She said it sounds like a nice opportunity, but it is causing an adverse affect on their business and they asked the City to consider the small business owner who is struggling.

4. 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

Mayor Walby opened the Public Hearing at 7:10 p.m. and stated this is a public hearing on Special Assessment and asked if anyone would like to be heard.

Mark Colonese, Bayview homeowner, stated that the assessment will benefit residents on both Bayview and Lakecrest. Residents will be able to get their boats through the canal and it will improve their home values. He said

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that several houses have taken huge hits when potential buyers find out there are only a few inches of water in the canal. He believes it is a good thing and stated that the majority of people support it.

Written objections filed with the City Clerk on February 6, 2012 by Bruce Karash, 22453 Lakecrest and Russell and Joan Bennett, 22441 Lakecrest.

Mayor Walby closed the public hearing at 7:12 p.m. as no other residents asked to be heard.

Mayor Walby indicated that the deposit for more than 50% of the dredging cost has been collected.

Mr. Ihrie stated that there are two phases for the establishment of a Special Assessment District. First, make a determination that the project is necessary, and 2) determine how much money is to be changed and on what basis is fair and reasonable. He said that tonight is when we hear objections and if there are no objections tonight, the agenda item comes back to City Council for determination of approval.

Motion by Rubino, seconded by Tiseo to adopt the Resolution confirming the Special Assessment District Roll Number Bayview/Lakecrest Canal 2011 Dredging for the improvement of the Bayview/Lakecrest Canal which reads as follows:

WHEREAS, THE BAYVIEW/LAKECREST CANAL SPECIAL ASSESSMENT ROLL NO. Bayview/Lakecrest Canal Dredging 2011 has been prepared and reported by a petition signed by owners of two-thirds of the lots adjacent to and abutting on the canal or water-course of the Bayview/Lakecrest Canal to the City Council for the purpose of defraying the cost of the following improvement:

The Bayview/Lakecrest Canal Dredging 2011 Special Assessment District – legal description of boundaries of district:

To dredge approximately 8,300 cubic yards from the canal and channel of the Bayview/Lakecrest Canal. The legal description of the Special Assessment District boundaries is as follows:

Kay's Bayview Subdivision Lots 1 thru 4 except the S 15' of Lot 4, all of Lots 5 thru 19 incl. (Liber16/Page28); also Kay's Bayview Subdivision No. 1 Lots 75 thru 88 incl. (Liber 20/Page 18); also Beel-Baert-Dujardin Subdivision Lots 1 thru 11 incl. (Liber 28/Page 5); also Beel-Baert-Dujardin Subdivision No. 2 Lots 24 thru 28 incl. (Liber 32/Page 24); also Beel-Baert-Dujardin Subdivision No. 3 Lots 35 thru 37 incl. (Liber 40/Page 43).

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

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

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Said Special Assessment Roll No. **Bayview/Lakecrest Canal 2011 Dredging** (also commonly referred to as the Bayview/Lakecrest Canal 2011Dredging SAD) in the sum of \$234,869.40 as reported by the Assessor be and the same is hereby confirmed.
2. The City has determined that the cost for said improvement shall be borne by special assessment district. The cost of the improvement has been calculated at \$234,869.40, all of which is assessed for Special Assessment District - **Bayview/Lakecrest Canal 2011 Dredging**. This project is totally funded by the residents, where residents agree to pay the entire cost to be divided/spread by footage over the 49 parcels.
3. Said special assessment roll shall be divided into one (1) installment to be due on March 22, 2012. Each lot owner, as voted by the majority of lot owners of the **Bayview/Lakecrest Canal 2011 Dredging**, shall provide payment as identified by the Assessor's roll for each individual parcel. A copy of which shall be attached to this resolution and minutes of this meeting.

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

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

I, Mary A. Kotowski, City Clerk of the City of St. Clair Shores do hereby certify that the foregoing is an excerpt from the minutes of a meeting of the St. Clair Shores City Council held on February 6, 2012, in accordance with the Open Meetings Act, Public Act No. 267 of 1976 as amended.

Mary A. Kotowski, City Clerk

Ayes: All - 7

5. USE AGREEMENT BETWEEN THE CITY AND THE ST. CLAIR SHORES HOCKEY ASSOCIATION (LEAGUE) AND THE ST. CLAIR SHORES FIGURE SKATING CLUB (RESCHEDULED FROM 1/16/12)

Mayor Walby pointed out that Council will not be voting on this agenda item as it has moved to Administration to handle.

Mr. Hughes said that the Civic Arena is a public building and has groups associated with it to utilize, such as the seniors. This very room was used in a fitness capacity and when equipment was put in when HUD money was used to supplement fund raising, the room was improved and it looks very different today. They are now taking an administrative approach to manage the use of this room. He stated that Council has a copy of the two-page User Document acknowledging full ownership of the equipment by the City of St. Clair Shores and that they have insurance and liability by the Hockey Association and the Figure Skating Club.

Ms. Rusie asked if it was accurate that looking at procedural issues, they are not voting on this per Administration due to it being an interdepartmental administrative type issue. Mr. Hughes stated that this was consistent with how we approached use of this room before the renovation. He mentioned that Council has not voted on Kyte Monroe or the soccer fields either. Ms. Rusie stated that they are asked to approve policies and procedures on the water service which seems to be an interdepartmental administrative issue, but not on these issues. She asked why they are not voting on this issue, but have voted on other issues. She also asked about voting on other fees, but not on waiving the fee for over ten years on this issue. Mr. Hughes stated that multiple donors who assisted in the majority of the cost, in an effort to acknowledge this, felt it appropriate to waive ten years in fees. He mentioned that the agreement is consistent with other user groups and that this was also a unique situation and the room has been enhanced by a significant contribution by these two groups. Ms. Rusie asked if fees from the room rental will be placed in an escrow account. Mr. Hughes indicated yes. Ms. Rusie stated she thinks Administration is setting a bad precedence by not letting Council vote on this.

Mr. Vitale asked Mr. Hughes if he was part of the original negotiation between the City and the Hockey Association and the Letter of Agreement granting the Hockey Association and the Figure Skating Club exclusive use of the premises. The new agreement doesn't spell out this exclusive use, but Parks & Recreation will use for other things. He wanted to know what the objection was by the Hockey Association to signing a more favorable agreement where they were granted exclusive use. He asked why couldn't the City get the one agreement signed, but was able to get the other agreement signed. Mr. Hughes said both groups thought a precedence was being set by granting exclusive use. They restarted negotiations with Parks & Recreation managing use of the room and that is where we stand today. Mr. Vitale stated that we set precedence all the time, but eventually changes are made and we then set a new precedence. He asked if it is bad or dangerous to set a precedence in writing. Mr. Hughes said that we put something in writing, but it is not characterized as loose and carefree but had attorneys involved. A liability and ownership of the equipment has been documented in paper and they have received proper insurance documents.

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Mr. Vitale said that as part of the old agreement, they had to maintain insurance. If they now have insurance and then drop it a few years from now, is there anything in the agreement that requires them to get insurance? Mr. Walby mentioned that we could add to the document that they need to get and maintain insurance and look at the issue annually to ensure proper insurance is maintained.

Mr. Vitale mentioned that in the old document it states a \$1,500.00 annual deductible for equipment repairs. The new document does not spell out if the equipment is broken or damaged who picks up the tab. Mr. Hughes stated that we own the equipment and the City will be responsible for maintenance and repairs, and money coming in from room rental will be used for this purpose.

Mr. Vitale said that Item #4 states the City, at its own expense and liability will make programs available, including yoga, Pilates, kickboxing, karate, cardio aerobics and spinning classes. He asked if the City is concerned about moving in on tax paying businesses?

Mr. Hughes stated that the government dabbles in things that private companies provide such as the Senior Center providing meals during the day which some may see as competing with private restaurants, but this enhances our society. He said that this is not a clear black and white issue. Mr. Vitale stated that he is troubled by this and does not agree with it.

Mr. Frederick mentioned that he was taken back as to why we have a document at all. The Hockey Association and the Figure Skating Club are the City's two best customers at the Civic Arena and they put up the majority of the money to build the arena. He mentioned that they don't have other operating agreements and the City has been operating for some time with no agreements. He said this agreement is totally unnecessary and Council has mentioned in the past that the Council has to attract families to St. Clair Shore and then we slap these two groups in the face who are trying to do that.

Mr. Rubino asked if the doors to the arena could be locked if the Hockey Association and Figure Skating Club don't show insurance. Mr. Hughes indicated yes. Mr. Rubino stated that he doesn't think a document is needed and stated that you don't see many kids working out in commercial facilities. He asked how come no one has talked about the Senior Center where they pay \$15.00 a year to work out. No one mentions to close down because it would be political suicide. TIFA talked about balance and this is nothing more than micro managing and its useless to have a document.

Mr. Vitale objected to the idea that the Council is against kids exercising. He said he doesn't see a lot of kids doing Pilates, yoga, spinning classes, etc. We had an agreement that granted the Hockey Association exclusive use of the facility and they didn't sign the agreement. He said there is something in the agreement they don't find acceptable. He said that in the past we used to do a lot of things differently, but that doesn't mean going forward we should be against putting anything in writing.

Ms. Rusie said that having a document is good operation and she has no problem with the exclusive use of the room.

Ms. Rubino said that he feels that no agreement gives the City total control of the room.

Mayor Walby stated that we have differences of opinions, but have the best interest for the people of St. Clair Shores. Mr. Vitale makes a good point that we need to put in the document to review on an annual basis the liability policy. We didn't take a vote on this issue, but people got to speak what they wanted to say. Mr. Walby stated he pushed to make sure it was on the agenda and people can review it. He believes in less than a year it will work very well and people will be served very well.

6. BIDS/CONTRACTS/PURCHASE ORDERS

- a. Award bid for the Professional Fireworks Display Services (bid opened 12/20/2011) (rescheduled 2/21/12)
- b. Award bid for 2012 Miscellaneous Sidewalk and Drive Approach Repair Program (bid opened 1/17/2012)

Mr. Rayes stated that this is the first of several contracts this spring. He said that the Sidewalk and Drive Approach Repair Program bid was opened last week and we recommend to be awarded to the low bidder, Italia Construction. The impact to residents is \$3.00 more per panel for sidewalks per square from \$72.00 to \$75.00. The contract is for three years.

Mayor Walby asked about the stamping on the sidewalks.

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Mr. Rayes stated that they always stamp on Sidewalk Program and if they don't, they don't get paid.

Mr. Caron asked why bids from Italia Construction, for example on Line Item 15 – 18 are very low (\$50 vs. \$1250 vs. \$8750) in comparison to other companies. He asked if it is clear as to what they are expected to do and why they are so different.

Mr. Rayes said that the primary work of the contract is sidewalks. These items (15 – 18) are also for miscellaneous driveways, sidewalks from water main breaks and sewer repairs and that percentage of work is very small. He stated it is their ability to bid that low, but they have to maintain all standards for that price.

Mr. Caron asked if inspectors go out on the project? Mr. Rayes said yes. Mr. Caron asked why Italia Construction is so much higher on Bonds and Insurance. Mr. Rayes said he could not answer that.

Mr. Vitale questioned the increase in cost from prior years. Mr. Rayes stated that concrete and fuel are the two biggest item increases.

Ms. Rusie asked how the bid was sent out? Mr. Rayes said that it went out on MITN System and is usually sent to several hundred companies.

Mr. Rubino asked about the stamping and if that was new and if they stamp all four squares. Mr. Rayes indicated that it is not new for the sidewalk program and that the company has to stamp the lead square and the last square between the patch. He stated that this year's program will run from 8 Mile Road to 9 Mile Road, from Greater Mack to I-94.

Mr. Rubino asked how we inspect the pours so that the correct amount of inches of concrete is dropped. Mr. Rayes stated that a staff inspector is out with the crew during tear out, marking it, etc., but may not be there for every pour of every square.

Motion by Frederick, seconded by Rubino to approve a request to award bid for 2012 Miscellaneous Sidewalk and Drive Approach Repair Program, to Italia Construction, Inc., in the amount of \$969,040.00.

Ayes: All - 7

7. NOTIFICATION PROCEDURES FOR FAULTY OUTSIDE READING DEVICES (ORD) – WATER BILLS

Mr. Hughes indicated that the background documents for this agenda item were prepared by Mike Smith. They had conversations of how notifications to residents can be improved. They compiled all questions regarding the possibility of water meter replacement and that research is nearly complete. They will be talking to Council in the immediate future. He said that tonight we will be discussing how we communicate with residents.

Mr. Smith stated that in August 2011 it was brought to Council's attention by a resident that they had a very large water bill as a result of a mismatch of the Outside Reading Device and Inside Reading Device. Since then Council is more aware of how big the problem is. That's when a comprehensive way to deal with the situation was devised. He said that many Outside Reading Devices are past their useful life and two problems exist, fading of Outside Reading Devices can't be read and many of them just stop working.

Mr. Smith read the policy as follows:

Faded/Unreadable outside reading devices (ORD), 1st occurrence

- Employees reading the meter will leave a colored door hanger on the residence indicating that we are unable to read the outside reading device and that the bill will be estimated. Please call for an appointment to change the meter.
- The residence will be sent a "First Notice" letter (see attached file)
- The residence will be sent an estimated bill passed upon an average of their use over the previous 12 month period.

Faded/Unreadable outside reading devices (ORD), 2nd occurrence

- Employees reading the meter will leave a colored door hanger on the residence indicating that we are unable to read the outside reading device and that the bill will be estimated. Please call for an appointment to change the

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meter.

- The residence will be sent a "Second Notice" letter (see attached file)
- The residence will be sent a 100 unit estimate
- Residences failing to respond by the date in the "Second Notice" letter will be shut off

The second issue revolves around low water consumption, which may be the result of the beginning signs of a malfunctioning ORD. As a reminder, these situations are the cause of residents being hit with "mismatch meter" charges which have been in the thousands of dollars. At this point in time this is defined as any residence who's ORD is showing quarterly water use of 3 or fewer units of water. Based upon our recent experience with households which in fact use very little water, we may want to lower this to one (1) unit of water.

- The first (1st) time this happens a "Low Water Utilization" letter will be sent to the residence (see attached) and the residence will be billed based upon the ORD reading.
- The second (2nd) consecutive time this happens a "2nd Notice of Low Water Utilization" letter will be sent to the residence (see attached) and the residence will be sent a 100 unit estimate.
- The third (3rd) consecutive time this happens a "3rd Notice of Low Water Utilization" letter will be sent to the residence (see attached) and the residence will be sent another 100 unit estimate. Failure to respond to the notice will result in the water service to that address being turned off.

Mr. Smith indicated that since November 2011, 404 meters have been replaced. Thirty percent of them have been mismatched meters from one unit to 700 units of water. Currently, the waiting list will go to March 20th before the City can get someone out to look at the meters.

Mr. Rubino asked what the percentage of meters being switched that have mismatches and show a considerable amount of water or high consumption being used. Mr. Smith indicated that the percentage of 100 units is approximately 15% which equals to a \$738.00 bill.

Mr. Rubino said it bothers him that we would send someone a \$783.00 water bill and asked if they get a warning ahead of time. Mr. Smith said that the Faded Outside Reading Device First Notice letter mentions this in the last two lines of the letter which reads 'it is imperative that you respond immediately to our office to rectify this problem. Failure to do so will result in 100 unit estimate on your next bill and ultimately in your water being turned off.' Mr. Rubino said he doesn't think people know what this means and if we put a dollar amount in there, people will understand better. Mr. Smith stated that they can do this.

Ms. Rusie asked how other cities give notice to their residents of faulty meters. Mr. Smith said it was somewhat of a mixed bag where some communities don't deal with the water problem, but put it on the homeowner's taxes. This may lead to a large tax lien on the house. Other communities send estimates.

Ms. Rusie asked if the estimates are tied to historical usage. Mr. Smith indicated that some communities base it on a 24-month average usage, but the problem with that is when people close on their houses, they need a lot of money at the closing.

Ms. Rusie asked if the resident is not replacing the meter with a Radio Read Meter, what are they doing. Mr. Smith indicated that there are a number of systems available including the Radio Read Drive-By Systems, the Radio Read Bounce Off, and the Hockey Puck System.

Ms. Rusie asked if there are any potential legal issues regarding the City sending out estimated water bill not tied to historical use. Mr. Ihrie stated that the devices are relatively new and is not aware of any cases that precluded the use of such devices on a illegal challenge.

Ms. Rusie asked why Council is being asked to approve this Administrative policy. Mr. Smith stated that as they developed the policy, he was asked to get Councils approval of it. He said that giving residents the opportunity to respond back to Council regarding what the issue is and it is a better way to reach out to residents. Mr. Smith said they don't need to vote on this and he will go forward with or without a vote and will go whatever direction Council gives him.

Mr. Frederick asked that all the resident letters be changed to include a dollar amount as well as stating the 100 unit

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estimate. Mr. Smith said that could be done.

Mr. Vitale asked if it is possible to include a photo that shows a proper meter vs. an improper meter. Mr. Smith stated it could be done for the faded meters.

Ms. Rusie stated that without a more formal opinion on legal issues, she doesn't feel comfortable blessing the policy of Administration or does she think Council should.

Mr. Vitale indicated he would abstain as he doesn't want to set a precedence of voting on policy.

Motion by Caron, seconded by Rubino to approve the procedures for the handling of faulty Outside Reading Devices including adding a dollar amount to the letters and adding a picture of a proper meter vs. an improper meter for faded meters as related to Water service billing.

Ayes: 5
Nays : Rusie
Abstain: Vitale

8. FIRST QUARTER BUDGET REPORT FOR SEPTEMBER 30, 2011 AND APPROVAL OF BUDGET AMENDMENTS 12-01 THROUGH 12-07

Mr. Hughes stated that this Budget Report is usually done in December, but with a new Council they are bring it to the residents in February in front of the new Council.

Mr. Claeson mentioned that many people will be seeing the 1Q Budget Amendments for the first time. He points out a comparison of where we stand in the General Fund as of September 30, 2011 with audited figures vs. the original budget adoption.

There is a fund balance of \$15.5M and the original budget adoption was \$13.5M, a \$2M variance. We had a favorable actual to the budget of almost \$2M in expenditures. The budget adopted for FY 2012 at a structural deficit of almost \$2.2M. Expenditures exceeded revenue almost \$2.18M. Other carry-over items are for capital improvements budgeted in the prior year and not expended in the prior year and the request is to bring them into the current year. The largest component is to fully fund our insurance reserves.

Each year Mr. Haney looks at June 30th and what the potential liability is in general liability claims. Audit of financial statements after carry-over items structural deficit from last year and insurance reserves estimate \$12.1M fund balance compared to \$11.3M which is a favorable variance of \$811,000.

Mr. Claeson read the proposed budget amendments as follows:

Budget amendment 12-01 is the carryover amendment from fiscal year 10-11. This primarily re-established a budget for uncompleted projects at 06/30/11. All departments continue to monitor their expenses in light of these tough fiscal times. This has allowed us to recommend the following further adjustment in the General Fund to fully fund our insurance reserves.

Budget amendment 12-02 amends the budget to reflect a 5.0% wage reduction for the Mayor and City Council effective 07/01/11.

Budget amendment 12-03 establishes a budget for proceeds from the State of Michigan's Economic Vitality Incentive Program. This program essentially replaces Statutory Sales Tax revenues received in prior fiscal years. Under the program, each city that received FY 2010 statutory payments will be eligible to receive a maximum of 67.84% of its FY 2010 statutory payments if it meets the requirements of each of the three program categories: 1.) Accountability and Transparency, 2.) Consolidation of Services, and 3.) Employee Compensation. The City will receive 1/3 of the maximum amount for each of the three categories that it fulfills. This budget amendment reflects the City's compliance with Category 1. The City will continue its efforts in meeting the requirements of Categories 2 and 3.

Budget amendment 12-04 recognizes FY 2012 debt service requirements due upon the sale of \$8.465 million of 2011 Capital Improvement Bonds. It also recognizes actual bond proceeds and capital outlays within the Utility Fund for amounts in excess of estimated amounts within the original and carryover budgets and amends the Major Street Fund original and carryover budget for bond proceeds and capital outlays that will be recorded in the 2011 Capital Improvement Bond Fund for the road portion of the bond issue. Furthermore, this amendment recognizes a transfer

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of funds from the 2011 Capital Improvement Bond Fund to the Major Street Fund as reimbursement of bonded project costs that were paid for in FY 2011.

Budget amendment 12-05 establishes a budget for the purchase of a fourth ambulance for the Fire Department from foreclosed home sale proceeds and an additional transfer of \$53,000 from the HUD Dollar Home Fund.

Budget amendment 12-06 amends the insurance line item within the Motor Pool budget to reflect insurance proceeds received in FY 2011 for a totaled vehicle that was not reflected in the original carryover budget. Replacement costs were incurred in FY 2012 resulting in an over budget condition thus necessitating this amendment.

Budget amendment 12-07 establishes a budget for the renovation and expansion of the Fitness Center. Commitments from the St. Clair Shores Hockey and St. Clair Shores Figure Skating organizations and several sponsors raised funds in the amount of \$114,600. Additional funding in the amount of \$50,000 is being provided via a transfer from the HUD Dollar Home Fund.

Ms. Rusie stated when we approved the budget there was a capital item of \$200,000 for the purchase of a new ambulance from General Fund money. We purchased the ambulance using other money. She asked if this removes the \$200,000 from the general fund? Mr. Smith stated that they used the General Fund, HUD, and the motor pool money for the new ambulance. He said this restructures the refinancing of the budget, but it doesn't remove it.

Mr. Rubino stated that we have \$1M more than when we started and we were beginning with a \$700,000 deficit. Mr. Claeson stated we still have a structural deficit of \$2.1 million to the budget. Mr. Smith said that at the beginning of the fiscal year we projected \$13.5M in the rainy day fund with the changes to today, but at the end will have \$12.6 in the rainy day fund. He stated that today we will have \$13.8M in the rainy day fund.

Mr. Caron mentioned that from a procedural standpoint the 1Q review was delivered to us one month into the third quarter. He asked if there was a way to speed the process so that they can get the information faster. Mr. Claeson stated that historically the first part of the budget is going to be the largest because of carryover items. He said it is not unreasonable to go through the process the first meeting of December. Additional reporting has to be done by the State of Michigan by December 31st.

Mr. Caron asked when we get revenue sharing from the state. Mr. Claeson indicated that we get it every two months.

Motion by Frederick, seconded by Rubino to receive and approve the September 30, 2011 Quarterly Report and Budget Amendments 12-01, 12-02, 12-03, 12-04, 12-05, 12-06 and 12-07 which read as follows:

Fund/ Dept.	Account	Previously Budgeted	Description	Increase	Decrease
BUDGET AMENDMENT 12-01					
101	General Fund				
140	980.007	N	COURT Document Imaging	22,860	
140	980.023	Y	COURT Security Equipment	5,156	
201	980.020	Y	FINANCE Time & Attendance Project	5,100	
215	900.000	Y	CLERK Printing (precinct signs)	1,500	
241	980.000	N	ASSESSING Capital Outlay (software upgrade)	35,570	
253	980.000	Y	GENERAL GOVT Capital Outlay (phone system upgrade)	7,900	
258	750.000	Y	INFORMATION SYSYTEMS Operating Supplies (software upgrades)	15,000	
258	810.000	Y	INFORMATION SYSTEMS Services	5,000	
258	930.000	Y	INFORMATION SYSYTEMS Repairs & Maintenance	10,000	
258	950.000	Y	INFORMATION SYSYTEMS Miscellaneous	2,500	
258	980.021	Y	INFORMATION SYSYTEMS Wide Area Network	10,000	
340	750.340	Y	FIRE EMS Supplies	2,400	
340	980.000	N	FIRE Capital Outlay (paint & re-roof central shed)	5,000	
703	980.721	Y	ARENA Refurbish Dasher Boards	40,000	
705	810.000	Y	PARKS Services (electrical)	4,800	
705	930.000	Y	PARKS Repairs & Maintenance (landscape)	6,000	
730	980.150	Y	LIBRARY Donation Purchases	381	
730	985.000	Y	LIBRARY Books	57,304	
910	913.000	N	INSURANCE Miscellaneous Costs (insurance reserves)	898,272	
Fbal	390.002		Fund Balance - Carryover		1,134,743

To establish a budget for carryover items from FY 10-11

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BUDGET AMENDMENT 12-01 (continued)						
110	Major Street Fund					
Rev	690.000	Y	Bond Proceeds		1,033,000	
455	803.000	Y	ACT 51 Routine Maintenance (concrete replacement)		174,000	
455	980.000	Y	ACT 51 Capital Outlay (I-696 / I-94 interchange)		135,000	
455	980.000	Y	ACT 51 Capital Outlay (misc open MDOT projects)		170,000	
455	980.000	Y	ACT 51 Capital Outlay (Little Mack overlay)		646,000	
455	980.000	Y	ACT 51 Capital Outlay (9 Mile reconstruction)		293,000	
455	980.000	Y	ACT 51 Capital Outlay (Harper resurfacing)		50,000	
Fbal	390.000		Fund Balance - Major Streets		435,000	
To establish a budget for carryover items from FY 10-11						
120	Local Street Fund					
451	808.000	Y	STREETS Offset - Act 51 Costs		2,064,000	
451	930.000	Y	STREETS Repairs & Maintenance (tree trimming)		10,000	
451	930.001	Y	STREETS Concrete Replacement - Local		28,000	
451	930.002	Y	STREETS Concrete Replacement - Major		174,000	
451	930.009	Y	STREETS Voted Street Maintenance		386,000	
451	980.196	Y	STREETS I-696 / I-94 Interchange		135,000	
451	980.199	Y	STREETS Paving - Various Streets		172,000	
451	980.230	Y	STREETS Misc Open MDOT Projects		170,000	
451	980.240	Y	STREETS 9 Mile Reconstruction		293,000	
451	980.263	Y	STREETS Little Mack Overlay		646,000	
451	980.264	Y	STREETS Harper Resurfacing		50,000	
455	803.000	Y	Act 51 Routine Maintenance		10,000	
455	803.001	Y	Act 51 Concrete Replacement		28,000	
455	989.600	Y	ACT 51 Maintenance - Street Millage		558,000	
Fbal	390.000		Fund Balance - Local Streets		596,000	
To establish a budget for carryover items from FY 10-11						
580	Recreation Revenue					
709	930.000	N	Repairs & Maintenance (pump repair)		2,454	
Fbal	390.000		Fund Balance - Recreation Revenue		2,454	
To establish a budget for carryover items from FY 10-11						
590	Utility Fund					
Rev	690.000	Y	Bond Proceeds		1,958,000	
860	980.014	Y	WATER Pipe Lining		399,000	
860	980.202	Y	WATER Harper Avenue		705,000	
860	980.860	Y	WATER Residential Water Mains		1,958,000	
860	980.862	Y	WATER 10 Mile Storage Facility		74,000	
860	980.876	Y	WATER 9 Mile - Harper to Greater Mack		5,000	
860	980.877	Y	WATER 9 Mile - Greater Mack to Jefferson		5,000	
860	980.878	Y	WATER 9 Mile - I-94 to Little Mack		1,000,000	
452	810.000	Y	STORM SEWER Services (PCB monitoring)		300,000	
452	930.008	Y	STORM SEWER Concrete Replacement		60,000	
Fbal	390.000		Fund Balance - Utility		2,548,000	
To establish a budget for carryover items from FY 10-11						
661	Motorpool					
602	980.000	Y	MOTORPOOL Capital Outlay (Brine storage tank)		7,442	
602	980.001	Y	MOTORPOOL Capital Outlay - Vehicles (2 patrol vehicles)		93,000	
602	980.001	Y	MOTORPOOL Capital Outlay - Vehicles (E-3 refurbish)		60,000	
602	980.001	Y	MOTORPOOL Capital Outlay - Vehicles (E-4 refurbish)		60,000	
602	980.001	Y	MOTORPOOL Capital Outlay - Vehicles (Rescue one)		50,000	
602	980.602	Y	MOTORPOOL GPS System		35,750	
Fbal	390.000		Fund Balance - Motorpool		306,192	

Agenda Item 8 (cont'd)

BUDGET AMENDMENT 12-02

101	General Fund			
		701.000	COUNCIL Wages	3,036
		720.000	COUNCIL Fringes	232
	Fbal	390.000	Fund Balance - General Fund	3,268

To amend budget to reflect 5% wage reduction for the Mayor and City Council effective 07/01/2011.

101 General Fund

BUDGET AMENDMENT 12-03

101	General Fund			
	Rev	575.500	Economic Vitality Incentive Program	173,439
	Fbal	390.000	Fund Balance - General Fund	173,439

To establish budget for anticipated receipt of Economic Vitality Incentive Program funds from the State of Michigan. (Replaces Statutory Sales Tax revenues recorded in previous years)

BUDGET AMENDMENT 12-04

110	Major Road Fund			
	455	990.000	ACT 51 Debt Service	64,348
	Fbal	390.000	Fund Balance - Major Roads	64,348
120	Local Road Fund			
	451	960.000	STREETS Contributions to Other Funds	64,348
	451	808.000	STREETS Offset - Act 51 Costs	64,348
240	2011 Capital Improvement Bond Debt Service Fund			
	Rev	693.110	Contributions - Major Roads	64,348
	900	992.000	DEBT SERVICE EXPENSE Interest on Bonds	64,233
	900	992.500	DEBT SERVICE EXPENSE Fees and Maintenance	115
590	Utility			
	860	992.000	WATER Interest on Bonds	106,859
	860	992.500	WATER Fees and Maintenance	188
	Fbal	390.000	Fund Balance - Utility	107,047

To amend budget for FY 2012 debt service requirements upon sale of the 2011 Capital Improvement Bonds.

590	Utility			
	Rev	690.000	Bond Proceeds	1,286,000
	590	980.000	Capital Outlay	286,000
	Fbal	390.000	Fund Balance - Utility	1,000,000

To amend Utility budget for actual bond proceeds and additional capital outlays in excess of amounts carried over from FY2011 and amounts approved in the 2012 original adopted budget.

110	Major Street Fund			
	Rev	690.000	Bond Proceeds	1,033,000
	455	980.000	ACT 51 Capital Outlay	646,000
	Fbal	390.000	Fund Balance - Major Streets	387,000
120	Local Street Fund			
	451	808.000	STREETS Offset - Act 51 Costs	646,000
	451	980.263	STREETS Little Mack Overlay	646,000

To amend the Major Street Fund budget for items in the carry-over amendment that will be accounted for in the 2011 Capital Improvement Bond Fund.

110	Major Street Fund			
	455	980.000	ACT 51 Capital Outlay	300,000
	Fbal	390.000	Fund Balance - Major Streets	300,000
120	Local Street Fund			
	451	808.000	STREETS Offset - Act 51 Costs	300,000
	451	980.265	STREETS Thirteen Mile Road	300,000

To amend Major Street Fund budget for the Thirteen Mile paving project which was part of the original adopted STREETS budget.

Agenda Item 8 (cont'd) BUDGET AMENDMENT 12-04 (continued)

The project is being financed via the 2011 Capital Improvement Bonds and will be accounted for in the respective Capital Projects Fund.

110 Major Street Fund

Rev	693.340	Contribution from 2011 Capital Improvement Bond Fund	396,214	
Fbal	390.000	Fund Balance - Major Streets	396,214	

To amend the Major Street Fund budget for contributions from the 2011 Capital Improvement Bond Fund for costs associated with the Little Mack Overlay project that were paid by the Major Street Fund in the prior fiscal year. This project is being financed via the 2011 Capital Improvement Bonds and will be accounted for in the respective Capital Projects Fund.

BUDGET AMENDMENT 12-05

101 General Fund

Rev	691.000	Sale of Assets	24,000	
370	960.000	COMMUNITY DEVELOPMENT Contributions to Other Funds	24,000	
340	940.000	FIRE Rentals		77,000
Fbal	390.000	Fund Balance - General Fund	77,000	

661 Motor Pool

Rev	693.100	Contributions - General Fund	24,000	
Rev	693.250	Contributions - HUD Dollar Home Fund	53,000	
Rev	640.000	Rentals		77,000

To amend budget by recognizing proceeds from sale of foreclosed homes and a transfer of funds from the HUD Dollar Home Fund to provide additional funding for the purchase of a fourth ambulance for the Fire Department. Also to reduce rental charges from Motor Pool to the Fire Department due to the above funding.

BUDGET AMENDMENT 12-06

661 Motor Pool

602	910.000	MOTOR POOL Insurance	26,175	
Fbal	390.000	Fund Balance - Motor Pool		26,175

To amend budget for insurance proceeds received in prior fiscal year but not included in carryover request to FY 2012.

BUDGET AMENDMENT 12-07

101 General Fund

Rev	675.703	Donations - Fitness Center	114,460	
Rev	693.250	Contribution from HUD Dollar Home Fund	50,000	
703	980.704	ARENA Fitness Center	164,460	

To establish budget for the funding and renovation of the Arena Fitness Center

Ayes: All - 7

9. 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

Mr. Caron asked to remove items 9d and 9f.

Motion by Caron, seconded by Frederick to approve the Consent Agenda items as presented, with the exception of the following item numbers: d and f that were removed and considered separately.

a. Bills

February 6, 2012 \$5,340,162.53

To approve the release of checks in the amount of \$5,340,162.53, of the report that is 35 pages in length and of the grand total amount \$5,340,162.53, \$0 went to other taxing authorities.

b. Fees - None

Agenda Item 9 (cont'd)

c. Progress Payments

Tiseo Brothers, Inc.	\$12,000.00
Posen Construction, Inc.	\$10,874.19

9. 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 (cont'd)

e. Receive & File Boards, Commissions & Committee Minutes

<u>Minutes</u>	<u>Meeting Date</u>
Brownfield Redevelopment Authority	July 21, 2011
Communications Commission	December 14, 2011
Cultural Committee	November 9, 2011
Fence Arbitration	September 14, 2011
General Employee Retiree Health Care Board	October 18, 2011
Historical Commission	December 6, 2011
Library Board	December 21, 2011
Memorial Day Parade Committee	December 15, 2011
Memorial Day Parade Committee	January 5, 2012
Police & Fire Civil Service Commission	November 2, 2011
Police & Fire Civil Service Commission	January 11, 2012
Police & Fire Pension Board	December 1, 2011
Police & Fire Retiree Health Care Board	December 1, 2011
Sign Arbitration	December 1, 2011
TIFA	November 10, 2011
TIFA	November 17, 2011
Zoning Board of Appeals	November 3, 2011
Zoning Board of Appeals	December 1, 2011

g. Request by the Lake Shore, Lakeview, South Lake, L'Anse Creuse, Macomb Intermediate and Macomb Community College school districts to levy 100% of their 2012 tax levy July 2, 2012

h. Recommendations from the Council Sub Committee on Boards, Committees & Commissions and take the following action:

1. Accept with regret the following resignations and vacancies (Thank you letters sent by Clerk):
 - Leonard Palermino (Compensation Committee)
 - Denise L. Keck (Dog Park Committee)
 - Kenneth Schoof (General Employee Pension Board)
 - Anthony Tiseo (Planning Commission)
2. To move Christian Koehler to a full voting member (from alternate) of the Cool City Committee with a term ending of 09/30/14 as recommended by the Sub-Committee.
3. To move Chuck Hall to a full voting member (from alternate) of the SCS Memorial Day Parade Committee with a term ending of 12/31/13 as recommended by the Sub-Committee.
4. To move Richard Swanquist to a full voting member (from alternate) of the Planning Commission with a term ending of 12/31/14 as recommended by the Mayor.
5. To appoint the following as recommended by the Sub-Committee:

<u>Name</u>	<u>Committee</u>	<u>Term Ending Date</u>
Jamie Victory	Memorial Day Parade Committee-Alternate	02/06/2014

Agenda Item 9 (cont'd)

6. To reappoint the following as recommended by the Sub-Committee:

<u>Name</u>	<u>Commission</u>	<u>Term Ending Date</u>
Lee Bertolo	Beautification Commission	12/31/2014
Lillian Claycomb	Beautification Commission	12/31/2014
Christine DenBaas	Beautification Commission	12/31/2014
John Lange	Beautification Commission	12/31/2014
Mark Moffitt	Building/Property Maint. Board of Appeals	06/01/2016
Augusta Eller	Employee Civil Service	07/01/2014
John Cilluffo	Historical Commission	12/31/2014
Ben Hughes	Minimum Standards	09/30/2014
Theresa Ellis	Older Persons Advisory Committee	09/30/2014
Dominic Calcaterra	Zoning Board of Appeals – Alternate	02/06/2014

7. To reappoint the following as recommended by the Mayor:

<u>Name</u>	<u>Commission</u>	<u>Term Ending Date</u>
Blair Gilbert	Corridor Improvement Authority	12/31/2015
Richard Widgren	Corridor Improvement Authority	12/31/2015
Tony Bellestri	TIFA/Brownfield	11/18/2015
Paul Ellis	TIFA/Brownfield	11/18/2015
Ben Hughes	TIFA/Brownfield	11/18/2015
Timothy Johnson	TIFA/Brownfield	11/18/2015

8. To disband the CIA Advisory Committee, City Manager Search Committee, Mayor's Advisory Panel & Sign Ordinance Sub-Committee as recommended by the Mayor.
- i. **REQUEST FROM THE MICHIGAN LIQUOR CONTROL COMMISSION TO ADOPT AN AMENDED RESOLUTION REVISING THE SELLER'S NAME ON THE REQUEST TO TRANSFER OWNERSHIP OF AN ESCROWED 2009 CLASS C LICENSED BUSINESS WITH DANCE PERMIT LOCATED AT 88 MACOMB PLACE, MT. CLEMENS, MI 48043, MACOMB COUNTY, FROM JOSEPH A. HAWLIK KAYBREN, LLC TO MACOMB FINE WINE, INC. 27626 HARPER, ST. CLAIR SHORES, MI 48081, MACOMB COUNTY WHICH READS AS FOLLOWS:**

That the request to transfer ownership of escrowed 2009 Class C licensed business with dance permit, located at 88 Macomb Place, Mt. Clemens, MI 48043, Macomb County, from Kaybren LLC to Macomb Fine Wine, Inc.; Transfer location and (governmental unit) (MCL 436.1531 (1) to 27626 Harper, St. Clair Shores, MI 48081, Macomb County be APPROVED "above all others" and that it is the consensus of the legislative body that this application be RECOMMENDED for issuance.

Ayes: All - 7

Separated Consent Item 9d and 9f

d. Approval of Minutes

Mr. Caron asked to remove the January 16, 2012 minutes from the Consent Agenda Item 9d and to update the wording on this issue.

Motion by Caron, seconded by Frederick to approve the City Council Minutes of December 19, 2011, January 3, 2012, and the minutes of January 16, 2012 as corrected on page 12, paragraph 12 under Comments by Individual Councilpersons to read "Mr. Caron was pointing out that many of the projects listed in the plan for 2010 and 2011 were not completed due to funding issues. He requested the City Manager to provide an update as to what projects were completed and which ones were not completed and the City Manager did agree to that request."

Ayes: All – 7

f. Approval of increase in blanket purchase order for DPW water meter replacements

Mr. Caron asked to separate this item to question the significant increase in the original amount for \$200,000 plus \$150,000.

Mr. Smith said that in 2011 they had no idea of the outcry of mismatched water meters. There were so many read mismatches that we did not want to tell people not to replace their meters. We needed money for this fiscal year. The request is for replacement meters to complete this fiscal year.

Mr. Walby asked if they were overly aggressive in replacements. Mr. Smith said they were not proactive to change meters unless there was a problem with them. They were only looking at mismatches reported to them. He said the \$150,000 will come out of excess working capital of \$1.8M.

Mr. Caron asked what personnel will be looking at Lakeshore Village? Mr. Smith said that a person within the DPW staff will be doing that and no contracted people have been contacted yet.

Mr. Smith mentioned that there was a newsletter asking people to look at their inside and outside meters. This generated a lot of business they didn't know they would get.

Mr. Rubino asked if Radio Reads were on the original blanket order and he is not voting for a blanket purchase order because he asked questions in the past and has not received any answers, for example, what are the monetary savings on this issue. Mr. Rubino said he can't get any answer in regards to the monetary savings. It is going for two months since the last study session and there is no proof there is a savings.

Motion by Rubino, seconded by Rusie to deny the increase to blanket purchase order for water meters until we get answers to our questions (motion was later withdrawn).

Mr. Smith stated he is not sure how to proceed if we cannot purchase additional replacement meters.

Mr. Rubino asked to move for an increase only for mechanical meters and not Radio Read Meters. He asked to see the savings on Outside Reading Devices since the issue has been talked about for years now and they should have some numbers. He wanted to know what the benefit is.

Ms. Rusie said she supports Mr. Rubino since she believes Mr. Rubino needs his questions answered. She asked how many meters we have left? Mr. Babcock indicated that we don't have too much in surplus, from the original purchase order, there may be approximately \$28,000 left.

Ms. Rusie asked why this issue is this coming to them when we have \$20,000 left when we are half way through the budget. Mr. Babcock indicated that they didn't know the plan going forward. He stated that they are gathering that information and asked if the city can move forward with problem meters today? Mr. Rubino said he thought we would know what we are doing by now. Ms. Rusie asked how long it would be before Mr. Rubino could get answers to his questions. Mr. Babcock replied it would be by the first meeting in March.

Mr. Vitale asked if ORD's can be rebuilt or cleaned or if anything could be done to them so they would get more mileage? Mr. Babcock replied that they don't manufacture the parts any more.

Mr. Frederick asked if we gave you another \$150,000 tonight, how long would it take to replace the meters for those who are asking. Mr. Rubino asked if they had enough to get to March 1st. Mr. Babcock stated that they would need an additional \$50,000.

Mr. Walby mentioned Lakeshore Village and at election time they requested assistance from whoever became mayor. He met with them and had an excellent meeting and are working now to clean that up.

Mr. Rubino said he will be flexible with \$50,000 and would withdraw his motion to deny approval of the blanket purchase order for water meters.

Mr. Vitale reiterated that they are not moving forward with the water meter program, but just replacing those that are defective.

Motion by Rubino, seconded by Frederick to approve the increase in blanket purchase order for water meters by \$50,000 for water meter replacements until March 5th.

Ayes: All - 7

10. UPDATES AND FOLLOW-UPS FROM COUNCIL MEETING

- **Pond hockey tournament** has been cancelled due to the mild winter. Efforts are being made to reschedule to January 2013 as the first annual Pond Hockey Tournament. Saturday, February 11th there will be an event at Brownies On The Lake for all those who sponsored and hockey players unable to play.
- **Homeland Security Fire Grant** - Mr. Hughes mentioned that in 2011 Fire Chief Morehouse, along with two firefighters, submitted a grant to the Department of Homeland Security and was awarded \$280,000 in a Federal Grant for the purchase of air packs and oxygen tanks for going into houses. He will be coming forth to Council to structure a \$20,000 match to the grant to help reduce long-term expenses to the City. Mr. Hughes thanked Congressman Sandy Levin for his support in this effort.
- **Update on Ridgeway and Jefferson** – Mr. Rayes said there is a commercial site on Jefferson and the three homes on Ridgeway. Two of the three homes have been removed and the ash fault can be removed by the contractor once the tenant is out of house. It will then be graded and seeded.
- **Revere garage** - Mr. Ihrie said he sought a court order to remove the property. It was sold to another purchaser and must be demolished by the owner in 14 days (next Monday). A third house is waiting for the tenants to move from the property, then it can be demolished. He has been in contact with the second and third owner and their willingness to remove the garage since they can get it done cheaper than we can.
- **DPW employee** - Mr. Hughes mentioned a citizen report regarding a DPW employee who has recently used poor judgment. Mr Hughes will maintain internal discipline in the future. He recognizes a lot of speculation coming out of the DPW Director who resigned in 2010. He stated that DPW employees get their assignments at 7 a.m. This person was assigned to operate a front-end loader and his assignment was completed about lunch hour. City employees are allowed to take work vehicles home at lunch. This employee found a roll of carpet at his home left by Waste Management. He knew he was going back to DPW and placed the carpet in front-end loader and placed it in a DPW dumpster, then went inside to get his next assignment. He used poor judgment and discipline was taken.

11. COMMENTS BY INDIVIDUAL COUNCILPERSONS

Council Member Frederick said he received a call about what the ordinance is regarding parking an 18-wheel tracker on a resident's property. Mr. Hughes said he will get back with Council regarding this issue. Mr. Frederick also asked who is responsible for maintenance for the light poles and the nautical themed lights since some are rusting. Mr. Rayes said the poles and lights are owned and operated by the City. Outside the Nautical Mile area, Detroit Edison owns and maintains them. If they are hit by a vehicle, we are reimbursed by the insurance company. Mr. Rayes mentioned that they are scheduled to be painted this year by Detroit Edison. He said that the City only repairs them if they are damaged by a vehicle. He indicated that there are quite a number of them on the list to be painted.

Mr. Frederick also congratulated all three high schools who swam in the City meet and South Lake was the victor. If anyone is looking for summer swim opportunities, the St. Clair Shores Sea Serpents are looking for kids to join. Contact Parks & Recreation at 586-445-5350.

A charity fund raiser to benefit Wigs For Kids is scheduled for Friday, February 24th at Lakeland Manor on Harper. It will feature imposter performers that are all country stars. Tickets are \$ 30 in advance and \$35.00 at the door. Doors open at 6:30 p.m. A strolling dinner begins at 7:00 p.m. and show time is at 8:00 p.m. There is a cash bar available.

The Firefighters 21st Annual Bowling Tournament is Saturday, February 3rd at Shores Lanes which raises money for special needs playground program, and the Great Lakes Burn Camp. Times available are 9:30 a.m. and 1:30 p.m. Their goal is to raise over \$10,000. The contact number is 586-445-1579.

Council Member Vitale indicated that Auto Zone building construction at 13 Mile and Harper is on the way. He mentioned that the delay is due to the gas company and wanted to know if there were problems with the gas company holding up the project. Mr. Rayes indicated that sometimes it is. Mr. Vitale asked that Council be kept abreast if there are delays in the future.

Mr. Vitale asked if the house on Elizabeth used for firefighter training is totally gone. Mr. Rayes indicated it was. Mr. Vitale asked if the City was ready to move on the house on Revere. Mr. Rayes said they are getting proposals for demolition in case the owners are not ready to cleanup, the City will be ready to step in.

Mr. Vitale said he is outraged that a second DPW employee is using equipment. He mentioned that it became a Macomb Daily story and editorial. The editorial gave the impression that Mr. Vitale is pushing for disclosure of the DPW employees name. He stated that this is not the case and the individuals name is not relevant and nothing could be further from the truth.

Agenda Item 11 (cont'd)

Council Member Caron mentioned St. Margaret's Mom-to-Mom Resale event scheduled for February 11, 2012 from 9 a.m. – 11:00 a.m. There will be over 100 tables and they will be selling children's items. St. Margaret's is located on 13 Mile Road between Harper and Little Mack.

Mr. Caron also congratulated the Fire Department on obtaining the grant from the Department of Homeland Security.

Mr. Caron stated that in regards to the 22400 Doremus House, he wanted to thank Mr. Rayes. Mr. Caron was notified by a resident that a dumpster was abandoned at the property. He was notified on Sunday and Mr. Rayes department got rid of the dumpster on Thursday. Mr. Caron asked Attorney Ihrie if he had an update on the legal proceedings on that property. Mr. Ihrie stated that title work was ordered and he has filed in the Circuit Court.

Council Member Rusie mentioned that the Senior Center has available spaces for computer classes. The classes are from February 13 – 27. Introductory classes are from 1:00 p.m. - 2:30 p.m. Intermediate classes are from 3:00 p.m. – 4:30 p.m. The cost for a 5-week course is \$55 for members and \$83 for non-members.

Ms. Rusie mentioned parking permits to park in the streets from 3 a.m. – 5 a.m. She mentioned the department is open only on Tuesday, Wednesday, and Thursday from 8 a.m. – 5 p.m. and people need to take time off work to get the permit. She asked if there is an easier way for residents to get these permits renewed. Mayor Walby suggested faxing them or scanning them over after the first year.

Mr. Rusie raised resident's complaints about the delivering or dumping of unsolicited ad circulators onto driveway aprons. She stated this is a blight issue and the papers pile up at vacant homes. Several residents have had their snow blowers damaged due to papers on driveway apron and the papers become garbage for many people. She asked if there was a way to make them put the papers on the porch, walkway or steps of the home. Mr. Hughes said the issue came up last year and they did identify one or two of the organizations violating this. He thought the issue was resolved, but it has come up again. Mr. Hughes will follow-up on this issue.

Council Member Rubino said the St. Clair Shores Waterfront Committee had their annual reports and the meeting was well attended. He said they gave scholarships to three St. Clair Shores high school seniors.

Mr. Rubino asked Mr. Rayes if the poured sidewalks at 9 Mile were inspected by DPW. He said that if you walk down the sidewalk there are globs of cement in front of South Lake which could be a hazard. Mr. Rayes stated that he will find out whose globs they are.

Mr. Rubino asked if there was an RV Ordinance. He stated there is no time allowed for a resident to bring an RV home in a non-conforming driveway to clean and load it, etc. Mr. Rayes stated that there is a time period for bringing an RV home to prep it for a trip. He believed it to be 24 or 72 hours. Mr. Rubino stated that people should be allowed time to bring their RV home to clean and load/unload it.

Mr. Rubino said it is very unfair and irresponsible to do things illegal regarding an administrative policy. He finds it personally offensive. When information is thrown out and it has nothing to do with the situation such as talking about kids using an exercise room, we may disagree and because we disagree it becomes dirty. He stated I'm not unethical.

Council Member Tiseo said he went to the Taylor High School ribbon cutting ceremony for exchange for students from China. He also congratulated all eight police officers in their new positions.

He mentioned that St. Clair Shores baseball is in the middle of online registration and is held on Saturday, March 10 and March 24 from 10:00 – 2:00 p.m. in the Civic Arena. More information is at scsba.com. Lac Saint Clair registration is well under way and online registration is at lacsaintclair.org. St. Clair Shores varsity basketball is for 7th and 8th grade co-ed teams. Coaches and teams are needed.

12. CITY MANAGER'S REPORT

Mr. Hughes mentioned that February 20th is Presidents Day, a holiday at City Hall. City offices and the Library will be closed on Monday, February 20th. The next City Council meeting will meet on Tuesday, February 21st at 7:00 p.m.

13. AUDIENCE PARTICIPATION (5 MINUTE TIME LIMIT)

Joseph Backus, St. Clair Shores resident, wanted to share a few compliments. He is happy to see the gas station on Broadway and Harper getting cleaned up. He mentioned that on Grand Lake St. there was a water main break and workers came out on Saturday and took care of the problem. On Sunday morning they got water down at the other end of the street. Within 15 minutes a police officer showed up. He wanted to compliment them for coming out on Sunday. He said he also sees signs on Jefferson (going down 9 Mile before Jefferson) that say Coastline Business District. He also congratulated Mr. Walby on the good job he is doing in his first 90 days.

Jamie Victory, St. Clair Shores resident, stated that he is very upset that parents waiting for their children at a nearby school are leaving their garbage in the parking lot of his townhouse. The parents are also swearing at residents at the townhouse. Mr. Walby indicated that he will have Mr. Hughes look into the issue and work with the principal at the school.

Dominic Cusumano, St. Clair Shores resident, asked if DTE meters are allowed to be installed in City as he feels other cities put in a moratorium on Smart Meters.

Mr. Cusumano raised his displeasure with having to register a rental, two homes he built to sell, that remain vacant.

Erin Stahl, St. Clair Shores resident, stated that after scouring through 13 years of St. Clair Shores finances, she was shocked at what she discovered. To help the City with the May/June budget session, she mentioned that you could do it the old way by taking the entire budget and finding the savings or do it her way which includes taking graphs and making strategic decisions. She discovered that twenty of thirty-two departments last year have not been covering their budgets. She invited all department heads to call her at 774-8181 if they want to look at things her way. She also invited residents who want more information to call her at the same number.

Andy Den Baas, St. Clair Shores resident, indicated that his is here to support of youth center. He thanked Greg Esler and Gina for their hard work and to the Council members who see benefits for our community. He stated that every figure skater and hockey player is insured on an annual basis. He said all issues brought before Council are used to mask what the real issue is. He said it is easy to criticize and nitpick the small points.

Dan Bohn, St. Clair Shores resident, said he was disappointed that there was not one woman's name mentioned for consideration at the election. He also stated that there has always been a Councilperson who asks things be investigated and it never happens. Whoever is responsible at the top should speak as to why the Councilman's request hasn't been answered.

Barbara Yoshida, Grosse Pointe Woods resident, thanked the City and Council for the construction of the Civic Arena and is a major reason why she continues to utilize the St. Clair Shores facility and programs. The misconception is that the facility competes with local businesses. They currently participate in yoga, Pilates, etc., but are taught by professionals trained in a sports specific manner which prevents injury. She stated she is extremely happy and thankful.

Cindy Puddock, St. Clair Shores resident, stated she purchased her first travel trailer two years ago. She paid for a year's storage up front, and have dealt with the City over last year's regarding cleanup, etc., but her neighbors reported them. She stated that no one can show her anything on how long she can keep the trailer on the property.

Don Lobsinger, St. Clair Shores resident, responded to public comments he heard at the last meeting. He again made comments regarding Martin Luther King. He wanted the Parade Chair removed.

John Burtch, St. Clair Shores resident, said he recognizes the ice rink is an institution in City. His objection is the direction where the City is headed. He stated that the language of the program, 'but not limited to yoga, kickboxing, etc., has no time limits.' This allows department heads to make decisions without Council and once this is tendered and accepted, there is no turning back.

Patrick Biange, St. Clair Shores resident, stated he wanted to talk about the budget and the direction of the City regarding the hockey/recreational center, millages, money, etc. He stated that St. Clair Shores has been failing since its inception.

Dr. Kenneth Cervone, Grosse Pointe Shores resident, stated he grew up playing hockey in St. Clair Shores and has been associated with them since. He sees lots of kids who are injured because they are not in shape. Hockey teaches them to develop speed, and core development. He is excited about the new workout facility and understands some new issues need to be ironed out. He is happy to be part of it and stated there are good instructors to work with the kids and this helps the organization to attract new players.

14. MAYOR'S COMMENTS

Mr. Walby announced creation of a Mayors City Web Page Enhancement Committee. They will research other webpages country wide to improve the aesthetics to make it more user friendly. Residents will also be able to get permits, park passes, and garage permits from the new webpage and stated upgrades to hardware will be needed. Ms. Rusie, Mr. Caron, Ben Hughes, the Communications Director, the IT Director and a resident who has experience in this area will be involved. They anticipate the work to be done in 12 weeks and the new webpage to be running around late April or early May

Mr. Walby stated that the Court Building Committee is still evaluating material. Mr. Rubino and Ms. Rusie will be part of this committee.

15. ADJOURNMENT

Motion by Caron, seconded by Rubino to adjourn at 10:32 p.m.

Ayes: All – 7

KIP C. WALBY, MAYOR

MARY KOTOWSKI, CITY CLERK

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