

**MINUTES OF THE GROSSE POINTE CITY COUNCIL MEETING HELD IN THE  
CITY COUNCIL CHAMBERS, 17145 MAUMEE AVENUE, GROSSE POINTE, MICHIGAN  
ON MONDAY, MAY 18, 2009.**

The meeting was called to order at 7:06 p.m.

ROLL CALL

Present: Mayor Scrace, Council Members Parthum, Stempfle, Stevens, Walsh and Weipert

In Attendance: City Manager Dame, Attorneys Fildew and Kennedy, City Clerk Arthurs, Public Service Director Weitzel, Assistant City Manager Fincham, Finance Director Johnson, Public Safety Director Fox and Parks and Recreation Director Hardenbrook.

Motion by Council Member Weipert second by Council Member Parthum to excuse Council Member Pfaehler from the meeting for personal reasons.

UNANIMOUSLY ADOPTED.

SETTING AGENDA

City Manager Dame requested that discussion of a proposed noise ordinance be added to the agenda. Mayor Scrace noted that the discussion would be added as Item 4b.

RECEIVED AND FILED.

CONSENT AGENDA

Motion by Council Member Weipert second by Council Member Stevens to approve the Consent Agenda consisting of the following:

- a. Minutes from the regular and closed session City Council meetings held on April 20, 2009.
- b. Invoices
  - a) Tringali Sanitation - Curbside Recycling, March, 2009, \$5,088
  - b) City of Grosse Pointe Farms - Purchase of Water, \$63,427.31
  - c) Cynergy Wireless - Equipment for Patrol Car, \$ 7,277.45
  - d) Ray Laethem - Purchase of under-cover vehicle, \$10,997
  - e) Grosse Pointes-Clinton Refuse Disposal
    - Refuse Disposal, January, 2009, \$6,143.92
    - Refuse Disposal, February, 2009, \$6,050.50
    - Refuse Disposal, March, 2009, \$7,648.50
  - f) City of Detroit, Board of Water Commissioners
    - Sewage Disposal Services, March, 2009, \$48,048.49
  - g) Anderson, Eckstein & Westrick, Inc.
    - Professional Services, SRF Project Plan Preparation, \$ 16,458.22
    - Professional Services, Neff Road Pumping Station, \$11,273.60

CONSENT AGENDA UNANIMOUSLY ADOPTED.

ADOPTION OF 2009-2010 BUDGET AND 2009 TAX RATE

Finance Director Johnson made the following report:

The proposed budget resolution adopts the City budget for the fiscal year July 2009 – June 2010, sets the tax rate and establishes tax administration requirements. It sets forth a summary of each fund in the proposed budget and the estimated taxable value of \$365,488,420, a decrease in taxable value of \$34,317,200 over fiscal year 2008-09. The City's property tax millage for this budget is 13.0 mills for City operations and .50 mills for the Pool Bond Debt.

City Manager Dame gave an overview of the budget and its components indicating the specific reductions made in various departments and that despite a reduction in assessments there is no increase in the tax rates while the same City services continued to be provided. Mr. Dame thanked Finance Director Johnson and other department heads for their work on creating a balanced budget for the City.

Motion by Council Member Weipert second by Council Member Parthum that the following resolution be adopted:

WHEREAS, the budget has been reviewed by the City Council and a public hearing thereon was held Monday, May 11, 2009; and

WHEREAS, the taxable valuation of real and personal property in the City has been established to be \$365,488,420; now therefore be it

RESOLVED, that the budget of the City of Grosse Pointe for the fiscal year beginning July 1, 2009 and ending June 30, 2010 is hereby determined and adopted as follows:

<u>GENERAL FUND</u>	Actual	Budget	Proposed
	2007-2008	2008-2009	Budget 2009-2010
<b>REVENUES &amp; FEES</b>			
Property tax	5,482,326	5,409,960	4,927,641
State Shared Revenues	510,839	489,400	464,000
Charges for Svc & Svc to Other Funds	615,644	771,895	726,795
Use of Money & Prop (other rev)	542,462	448,700	458,600
Licenses and Permits	71,024	86,275	79,050
<b>Total Revenues &amp; Fees</b>	<b>7,232,295</b>	<b>7,206,230</b>	<b>6,656,086</b>
<b>EXPENDITURES</b>			
<u>Departmental Operating Costs</u>			
Public Safety	2,878,365	3,024,857	3,012,073
Public Works	1,196,915	1,205,793	1,153,528
Parks & Recreation	658,386	688,108	632,939
Finance & Assessing	261,503	274,417	251,970
City Administration	198,406	209,396	202,298
Gen'l City Oper./Human Resources	178,241	194,593	175,156
Court	166,443	170,863	169,018
Professional Services	143,038	152,500	137,500
Inspections	113,877	128,501	128,399
City Clerk & Elections	93,797	96,843	96,213
Legislative	13,101	15,500	13,100
<b>Total Departmental Operating Costs</b>	<b>5,902,072</b>	<b>6,161,371</b>	<b>5,972,194</b>
<u>Transfers to Other Funds</u>			
Capital Projects Fund	2,639,095	166,975	-
Public Improvements/Other	33,845	165,234	100,000
Highway Fund	561,831	519,721	277,829
General Debt Fund	171,342	188,775	215,268
Downtown Development Authority	-	38,617	38,617
<b>Total Transfers to Other Funds</b>	<b>3,406,113</b>	<b>1,040,705</b>	<b>631,714</b>
<b>Total Cash Outlays</b>	<b>9,308,185</b>	<b>7,202,076</b>	<b>6,603,908</b>
<b>Operating Effect General Fund Balance</b>	<b>(2,075,890)</b>	<b>4,154</b>	<b>52,178</b>

	2007-2008	2008-2009	2009-2010
<b>REVENUES &amp; FEES</b>			
General Fund	7,232,295	7,208,230	6,656,086
Water & Sewer	2,777,502	2,408,400	2,654,807
Major & Local Streets	874,896	835,321	580,809
Parking	787,440	810,000	602,000
Marina	181,189	167,640	167,640
General Debt Fund	372,725	388,875	398,012
Capital Projects	2,433,762	42,600	49,890
Drug Forfeiture	32,719	15,000	12,000
<b>Total Revenues &amp; Fees</b>	<b>14,672,528</b>	<b>11,871,866</b>	<b>11,121,244</b>
<b>EXPENDITURES</b>			
<u>Operating Expenditures</u>			
General Fund	9,308,185	7,202,076	6,603,908
Water & Sewer	1,604,616	1,788,175	1,971,871
Major & Local Streets	519,765	548,998	540,809
Parking	432,635	556,481	561,803
Marina	142,064	155,808	167,999
Drug Forfeiture	9,626	-	11,950
<b>Total Operating Expenditures</b>	<b>12,016,891</b>	<b>10,249,534</b>	<b>9,858,339</b>
<u>Capital Expenditures</u>			
Capital Projects	356,259	321,100	303,228
Water & Sewer	624,333	618,000	458,000
Debt Repayment	372,725	388,875	398,012
Major & Local Streets	359,389	288,325	159,338
Parking	11,357	35,000	-
Drug Forfeiture Fund	6,981	50,900	-
<b>Total Capital Expenditures</b>	<b>1,731,044</b>	<b>1,702,000</b>	<b>1,318,578</b>
<b>Total Expenditures</b>	<b>13,747,935</b>	<b>11,951,534</b>	<b>11,176,917</b>
<b>Net Effect to All Funds</b>	<b>924,593</b>	<b>(279,668)</b>	<b>(55,673)</b>

RESOLVED FURTHER, that there is hereby levied a general tax as herein fixed in the amount of 13.50 mills on the taxable valuation for the purpose of meeting operating, debt and rubbish requirements for said fiscal year. The total tax rate of \$13.50 mills (13.00 for operating and .50 for debt retirement) shall be applied on all the taxable, real and personal property in the City of Grosse Pointe as set forth on the assessment roll for 2009, and that the City Clerk shall certify said levy to the City Treasurer.

RESOLVED FURTHER, that a 1% property tax administration fee be added to the State Education Tax and County Tax which will be billed with the 2009 Summer Tax billing and the 1% administration fee should also be added to the December tax roll to offset costs incurred by the City in assessing property values, collecting property tax levies, and in the review and appeal process.

RESOLVED FURTHER, that the Director of Finance is hereby authorized to transfer appropriations between the above Funds in compliance with Act No. 621, Michigan Public Acts of 1978.

UNANIMOUSLY ADOPTED.

#### WATER/SEWER RATE STRUCTURE CHANGE AND PROPOSED WATER AND SEWER RATES

Finance Director Johnson made the following report:

The City of Grosse Pointe uses a combined water and sewer rate for customer billing. The City's consumable water is supplied by the City of Grosse Pointe Farms and sewage processing is completed through the City of Detroit Sewage system. The City has been approved for a low interest loan from the State of Michigan under the State Revolving Fund (SRF) Program for the City's Neff Road Pump Station Improvement project. To comply with State of Michigan requirements for receipt of SRF funds, the water and sewer rate structure requires several methodological changes. Currently, a minimum bill is based on consumption which is not allowed under the SRF requirements, so a new rate structure format is required.

Under the new rate structure, customers will be billed a readiness to serve charge and debt service charge based on meter size, along with a charge for actual water consumed. The new rate structure also provides for the collection of industrial damage control charges which would be applied to all industrial customers. Also, to continue to provide the same level of service to our residents and fund anticipated capital improvements, a rate increase is necessary. An overall revenue increase of 9.1% from customers is recommended. The cost of water from Grosse Pointe Farms increased 8.6% and Detroit sewage rates increased 8.8%. Under the new methodology, the impact on residents will vary above or below that amount depending on the size of their meter and usage. The proposed rate will not only give the City the ability to recover the increase in the cost of water and sewage services supplied to customers, but also allow the City to continue to make capital improvements to the system. Council discussion took place regarding the proposed billing method and the proposed increase in water and sewage rates.

RECEIVED AND FILED.

#### ORDINANCE ADOPTION

MOTION by Councilmember Parthum supported by Councilmember Stempfle, that the following ordinance be adopted:

#### ORDINANCE NO. 381

An Ordinance to re-enact and amend Sections 78-141 through 78-143 of the Code of Ordinances of the City of Grosse Pointe, relating to definitions, basis of charges and water and sewer rates.

(For complete text of Ordinance No. 381 - see Ordinance Book of the City of Grosse Pointe)

UNANIMOUSLY ADOPTED.

#### AMENDMENTS TO THE CITY FEE SCHEDULE – 2009-10

City Clerk Arthurs made the following report:

A comprehensive review of the current fees that the City of Grosse Pointe charges for various services, registrations, permits and regulations was undertaken as part of the budget preparation process. This annual review is undertaken to ensure that specific users are paying unit, administrative and inspection costs in lieu of being subsidized by the general citizenry. The proposed adjustments are made to ensure that the revenues are sufficient to cover operating expenses. The following changes are proposed:

Parks and Recreation: Swimming and diving lessons, platform tennis memberships, tennis lesson and miscellaneous fees have been adjusted.

City Clerk: The amount for a certified copy of a birth or death certificate and the cost of additional copies were increased to be more in line with the State and County, and to cover certificate paper and reproduction costs. The same day service fee was eliminated.

Discussion took place regarding the proposed fee schedule. Parks and Recreation Director Hardenbrook and City Clerk Arthurs answered various questions regarding the proposed fee increases.

Motion by Council Member Weipert second by Council Member Stevens to adopt the City fee schedule as proposed effective July 1, 2009.

UNANIMOUSLY ADOPTED.

#### DISCUSSION OF POSSIBLE NOISE ORDINANCE OPTIONS

City Manager Dame submitted materials for Council consideration of various issues regarding amendments to the City's existing noise ordinance. The issues primarily concern noise from equipment in the neighborhoods such as landscaping companies, lawn mowers and blowers. Sample ordinances from the other Grosse Pointe communities and from Sterling Heights were reviewed by Council.

Council Member Walsh asked why there was a need for a noise ordinance and if many complaints were received regarding landscape equipment noise. It was noted that 59 noise complaints were received in the last year. The Council requested a breakdown of the types of noise complaints received and requested that a report be submitted at the next Council meeting.

The Council consensus was to draft a noise ordinance amendment to include reasonable restrictions on the allowed hours of operation of lawn equipment and to encourage the use of quieter equipment. A draft ordinance will be presented at a future meeting for Council's review and consideration.

RECEIVED AND FILED.

#### PUBLIC COMMENT

Jeanne Hines, 552 Cadieux commented on the resurfacing of Cadieux Road. She noted several concerns regarding the State restriction eliminating parking on Cadieux Road. She further expressed concern regarding handicap parking spaces and advised Council that a letter will be forthcoming from residents in the area. Mayor Scrace suggested to Mrs. Hines that she meet with the Public Service Director to further address her concerns.

#### STAFF REPORTS

Public Service Director Weitzel gave an update regarding the new Neighborhood Beautification Inspection Program which will establish a regular exterior review of all residential properties. He noted that Landscape Services, contractor for this program, began inspections on May 18. It was noted that the first section for inspection this year will be Fisher, Lincoln, Washington and streets south of Jefferson. Notices have been sent to the affected property owners informing them of this program.

Public Safety Director Fox reported on various street light outages and a weekend fire near Mack and Rivard which caused additional outages. He advised that Detroit Edison was notified of the outages. City Clerk Arthurs reported that the Beautification Commission will plant flowers at Neff Park on Wednesday, May 20. Parks and Recreation Director Hardenbrook reported on the readiness of the park and pool for the beginning of the season. He updated Council on the status of marina well rentals.

#### COUNCIL COMMENT

The Council commented on the following issues:

- The Michigan Municipal League annual conference will be held in Kalamazoo this September with a focus on downtown districts and strategies that make Michigan a unique and attractive place to live. It was requested that additional information regarding the conference be distributed to Council Members.

On Motion, the meeting was adjourned at 7:48 p.m.

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Julie E. Arthurs, City Clerk  
City of Grosse Pointe