

MINUTES OF THE SPECIAL GROSSE POINTE CITY COUNCIL MEETING HELD IN THE CITY COUNCIL CHAMBERS, 17145 MAUMEE AVENUE, GROSSE POINTE, MICHIGAN ON MONDAY, MAY 12, 2008.

The meeting was called to order at 7:00 p.m.

ROLL CALL

Present: Mayor Scrace, Councilmembers Parthum, Pfaehler, Stempfle, Weipert

In Attendance: City Manager Dame, Attorneys Fildew and Kennedy, City Clerk Arthurs, Public Service Director Weitzel, Finance Director Johnson, Asst. City Manager Fincham, Public Safety Director Fox, Recreation Director Hardenbrook, Water & Parking Director Huvaere and Sewer & Forestry Director Schulte.

Motion by Council Member Weipert second by Council Member Parthum to excuse Council Members Stevens and Walsh from the meeting for personal reasons.

UNANIMOUSLY ADOPTED.

PUBLIC HEARING – 2008-2009 BUDGET

Mayor Scrace announced that this was the time set for a public hearing by the City Council on the proposed budget and proposed property tax levy, for fiscal year July 1, 2008 through June 30, 2009.

Finance Director Johnson gave an overview of the budget. She reported that the proposed budget is balanced and no change is proposed for the 2008 City tax rate. Mrs. Johnson reviewed a PowerPoint presentation that addressed increases in the water and sewage service rate. It was noted that a reduction in overall budgeted expenses for professional services, human resources, assessing, city operations and public works departments was implemented. Other non-personnel operational expense reductions were discussed. Mrs. Johnson further discussed adjustments to reflect the cost of providing services such as various recreational program fees for the pool and special events, a variety of construction fee increases and solid waste disposal contract increases for commercial refuse pickup service. She indicated that the budget features newly created program budgets for the Public Safety Department similar to those implemented for the Parks & Recreation Department and Public Works last year. A multi-year capital improvement plan has been established for all major funds. The first year of the CIP shows what is budgeted and the others are projections which can be revisited each year for a rolling five year plan.

Discussion took place regarding general fund revenues and expenditures, the general debt fund, water & sewer fund, parking fund, highway fund, marina fund and the drug forfeiture fund. City Council discussion took place regarding the budget. It was noted that the proposed budget offers the same high level of services in a fiscally responsible manner. The City Council thanked the City Manager, Finance Director and Department Heads for their hard work on preparing the budget and recognized the difficult economic sacrifices that were made to balance the budget.

Mayor Scrace opened the public comment portion of the public hearing. He asked for comments from those persons present. Hearing no comments, the public hearing was declared closed.

It was noted that the proposed 2008-09 budget and 2008 City tax rate will be adopted at the regular Council meeting on May 19, 2008.

RECEIVED AND FILED.

WATER AND SEWER UTILITY - CAPITAL IMPROVEMENT SUMMARY

City Manager Dame introduced Stephen Pangori from Anderson, Eckstein & Westrick, the City's engineer, who made a PowerPoint presentation regarding the Utility Enterprise Fund and proposed system improvements to water mains and sanitary/combined sewers. Mr. Pangori reviewed the basis for the proposed system improvements recommended by the 1995 McNamee study. He discussed the need to replace existing 4 inch and 6 inch water mains with 8 inch mains and the recommended locations. Sanitary/Combined sewer replacement or repair needs and costs were discussed. Mr. Pangori further discussed the Neff Road Pumping Station needs based on a Tetra Tech Study. Discussion took place regarding the needs determined as critical and important and the needs designated as low (needed over long term). Mr. Pangori summarized the benefits of a Water and Sewer Capital Improvement Plan and noted the cost saving approach of a proactive plan to address aging infrastructure. City Council discussion took place regarding the report. The City Council thanked Mr. Pangori for his presentation.

RECEIVED AND FILED.

WATER AND SEWER RATE STUDY – RAFTELIS FINANCIAL CONSULTANTS

City Manager Dame introduced William Stannard from Raftelis Financial Consultants, a firm the City engaged to review and perform a water and sewer rate study. Mr. Stannard gave a PowerPoint presentation of the Water and Sewer Rate Study. He discussed the study objectives which are to provide sufficient revenues to address the financial needs of the water and sewer fund. He further discussed the projection of customers and usage, revenue requirements, proposed rates and compared rates of surrounding communities in the metropolitan Detroit area. Other considerations of the report such as utility billing technology, moving to bi-monthly instead of quarterly utility billing and storm water collection systems were discussed. Mr. Stannard talked about the proposed expansion of the Grosse Pointe Farms water distribution plant to accommodate Grosse Pointe Woods and Grosse Pointe Shores and the necessary upgrades and improvements for regular operations and maintenance shared currently by Grosse Pointe Farms and the City. Council discussion took place regarding the report. The City Council thanked Mr. Stannard for his presentation.

On Motion, the meeting was adjourned at 8:28 p.m.

Julie E. Arthurs, City Clerk
City of Grosse Pointe