

**MINUTES OF THE GROSSE POINTE CITY COUNCIL MEETING HELD IN THE
CITY COUNCIL CHAMBERS, 17145 MAUMEE AVENUE, GROSSE POINTE, MICHIGAN
ON MONDAY, MAY 9, 2016.**

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

ROLL CALL

Present: Mayor Scrace, Council Members Boettcher, Parthum, Stempfle, Turnbull, and Weipert

In Attendance: City Manager Dame, Attorneys Fildew and Kennedy, City Clerk Arthurs, Public Service Director Huvaere, Finance Director Kleinow, Public Safety Director Poloni, Recreation Director Hardenbrook, Public Service Supervisor Randazzo, Public Service Supervisor Lawrence, Parking Supervisor Branny and City Engineer Pangori.

Motion by Council Member Turnbull second by Council Member Weipert to excuse Council Member Walsh from the meeting for personal reasons.

UNANIMOUSLY ADOPTED.

PUBLIC HEARING – 2016-2017 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, 2016 through June 30, 2017.

Finance Director Kleinow gave an overview of the budget. She reported that the proposed budget is balanced and the general operations levy of 11.8391 mills remains the same. Mrs. Kleinow reviewed a PowerPoint presentation that addressed an increase in property tax revenues and an increase in the average assessment by more than 6%. Further, State Revenue Sharing, which has been replaced with the EVIP payments, has decreased 35% since 2001 and is expected to remain flat. It was noted that the overall budgeted revenues increased by 2.16%. The general fund expenses increased proportionately with revenue at 2.16%. It was also noted that a full year of retiree healthcare cost in the amount of \$500,000 has been budgeted for 2016-17.

Discussion took place regarding property taxes and assessments, general fund revenues and expenditures, the capital projects fund, the general debt fund, water & sewer fund, solid waste fund, parking fund, highway fund, marina fund and the drug forfeiture fund. Five project areas for the Capital Projects Fund were discussed. These project areas are public safety and public service equipment, park pool resurfacing and council chambers facility improvements. It was noted that the operational expenditures are just barely covered by the Solid Waste levy; which is capped at the maximum allowed under Headlee.

Mayor Scrace opened the public comment portion of the public hearing. He asked for comments from those persons present. Hearing none, public comment was declared closed.

City Council discussion took place regarding the budget, economic trends and the impact of collective bargaining agreements on the budget. City Council discussion took place regarding four solid waste fund options described in a memorandum from the City Manager which were developed to help reduce the capital funding shortfall for solid waste. Since the revenues just barely cover the operating expenses in the proposed 2016-17 budget and are insufficient to set aside the funds needed for future equipment purchases expected in the near future, it was suggested that the special pickup fee be increased and a bulk pickup fee be developed as the first step in the process. Staff was directed to develop a special pickup and bulk pickup fee proposal to be reviewed at the next Council meeting.

City Manager Dame requested that a sub-committee be established to review the suggested renovations and repairs to the Public Service Department and Public Safety Department building facilities as a whole. The goal would be to develop a comprehensive plan for functional improvements for both department facilities.

It was noted that the proposed budget offers a 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.

It was noted that the proposed 2016-17 budget and 2016 City tax rate will be acted on at the regular Council meeting on May 16, 2016.

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PRESENTATION - CAPITAL IMPROVEMENT PLAN

Stephen Pangori from Anderson, Eckstein & Westrick, the City's engineer, presented a PowerPoint presentation regarding the Capital Improvement Plan (CIP) and proposed system improvements to streets, sidewalks and sewers. Mr. Pangori reviewed street facts, the pavement condition survey and its results, and estimated street repair needs.

Mr. Pangori discussed the proposed facility improvements in the CIP. Planned improvements to City Hall, Public Safety, Public Service and Parks & Recreation facilities over a four year period were discussed. Mr. Pangori also discussed the part of the CIP which discusses water mains and sanitary/combined sewers. He reviewed water system components, the benefits of a water and sewer CIP and projects completed. City Council discussion took place regarding the report.

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On Motion, the meeting was adjourned at 8:27 p.m.

Julie E. Arthurs, City Clerk
City of Grosse Pointe