

**MINUTES OF THE GROSSE POINTE CITY COUNCIL MEETING HELD IN THE COUNCIL CHAMBERS,
17145 MAUMEE AVENUE, GROSSE POINTE, MICHIGAN ON
MONDAY, JANUARY 23, 2017.**

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

ROLL CALL

Present: Mayor Scrace, Council Members Boettcher, Parthum, Stempfle, Tomkowiak, Turnbull, Walsh

In Attendance: City Manager Dame, Attorneys Fildew and Kennedy, City Clerk Arthurs, Public Safety Director Poloni, Public Service Director Huvaere, Parks and Recreation Director Hardenbrook, City Engineer Pangori and City Planner Jackson.

SETTING AGENDA – City Manager Dame requested that appointments to the Urban Forestry Commission be added to the agenda. This item will be added to the end of new business on the agenda.

CONSENT AGENDA

Motion by Council Member Stempfle second by Council Member Parthum to approve the Consent Agenda consisting of the following:

1. Minutes from the regular Council Meeting held on December 19, 2016.
2. Invoices
 - a) Great Lakes Water Authority - Sewage, December 2016, \$78,500
 - b) Utility Services Authority - SRF Sewer Project, Estimate #6, \$29,500
 - c) Pro-Line Asphalt - 2016 Resurfacing Project, Estimate #7, \$73,411.97
 - d) Indian Summer - Compost, December 2016, \$6,599.88
 - e) Rizzo - Recycling, December 2016, \$5,768
 - f) Partners in Architecture - Facility Assessment, December 2016, \$5,000
 - g) Plante & Moran - Audit Services, Fiscal Year June 2016, \$7,500
 - h) City of Grosse Pointe Farms - Water Purchased, October – December 2016, \$113,502.13
3. Approval and adoption of resolution to execute Wayne County permits for annual maintenance, annual pavement restoration and special events.

CONSENT AGENDA UNANIMOUSLY ADOPTED.

LIBRARY BOARD PRESENTATION AND LIBRARY DIRECTOR INTRODUCTION

Sandy MacMechan, the City's representative on the Grosse Pointe Public Library Board, was present and discussed various programs and activities happening at the library. Mr. MacMechan also introduced the new Library Director Jessica Keyser. Ms. Keyser discussed her background and updated Council on improvements at the central branch of the library as part of the 5 year strategic plan. Council thanked both representatives for the informational update.

DTE GAS VAULT PROGRAM

Public Service Director Huvaere made the following report:

DTE has requested to install a new below grade gas regulating vault. The proposed area is in the right of way on the north side of Kercheval between Fisher Rd. and Lincoln. According to the proposed DTE plans, there will be one vent stack and e-chart small panel above grade. The above grade equipment is proposed to be surrounded by six foot tall arbor vitae bushes spaced three feet apart. The City will require a certificate of insurance naming the City of Grosse Pointe as an additional insured and a restoration deposit of \$10,000 for work that is not completed to the City's satisfaction. These funds will also be used to recover the costs of the plan review and inspections.

Daniel Sand of Michigan Gas Company discussed the vault replacement program, gas distribution program and related facilities. Mr. Sand described details regarding the actual vault and its ventilation pipe. After discussion, Mr. Sand requested feedback from Council regarding the proposed location which is opposite the existing location on Kercheval Avenue, closer to Lincoln.

Steve and Nancy Vella, 532 Lincoln expressed concern regarding the placement of the vault so close to their home. Mr. Vella stated he felt the vault would decrease his property value. He expressed concern that the noise emitted from the vault would also have an effect on his quality of life. He also felt that existing trees should not be disturbed or removed for this project. Mr. Vella did feel that the proposed arbor vitae landscaping would be an improvement on what is existing.

Council discussion took place regarding the placement of the vault, placement of the ventilation pipe, the proposed location and its impact on surrounding homeowners. After discussion, several alternate locations were proposed by Council.

Motion by Council Member Walsh second by Council Member Boettcher that DTE place the gas regulating vault and vent stack in a location as close to the tree and Fisher Road as possible.

UNANIMOUSLY ADOPTED.

RESOLUTION – WATER BONDS AND PARKING BOND REFINANCE

City Manager Dame made the following report:

In August, the City Council approved a notice of intent to issue bonds for water system improvements. As outlined in the Capital Improvement Plan, the City is planning to undertake a collection of water main improvements throughout the City. Most of the work is intended to complete the creation of an improved water circulation system with a large diameter looped main. This will increase water pressure in the City for property owners and for firefighting purposes. The proposed projects were reviewed and discussed by Council and will coordinate with future street improvements.

The water main construction will be financed through the issuance of the bonds. These bonds will be tax-exempt as the project is for a public purpose and be repaid with Water/Sewer Utility funds. The advantages of issuing bonds for this project were discussed. It was noted that the City will refinance the existing Parking bonds to reduce payments on the bonds for the Village Parking Structure, cutting the cost of issuing this new bond in half.

Patrick McGow of Miller Canfield discussed details of the bonds and the issuing process. Mr. McGow stated that the bonds are being authorized in an amount not to exceed \$5,000,000, but the final size of the Bonds will be determined at the time of sale. The resolution authorizes issuing bonds of up to \$2.2 million for the water project. The bonds will be sold in February with a closing in March.

MOTION by Council Member Stempfle second by Council Member Parthum that the following resolution be adopted:

WHEREAS, the City of Grosse Pointe, Michigan (the “City”) has previously determined that it is necessary to pay all or part of the cost to acquire, construct, furnish and equip water supply system improvements, including water main replacements, together with all related appurtenances and attachments (the “Project”); and

WHEREAS, the cost of the Project is estimated at not to exceed Two Million Two Hundred Thousand Dollars (\$2,200,000); and

WHEREAS, a notice of intent for bonds was published in accordance with Act 34, Public Acts of Michigan, 2001, as amended (“Act 34”) which provides that the capital improvement bonds may be issued without a vote of the electors of the City unless a proper petition for an election on the question of the issuance of the bonds is filed with the City Clerk within a period of forty-five (45) days from the date of publication and no petition has been filed with the Clerk; and

WHEREAS, the City Council deems it necessary to borrow the principal amount of not to exceed Two Million Two Hundred Thousand Dollars (\$2,200,000) and issue capital improvement bonds pursuant to Act 34 to pay the cost of the Project; and

WHEREAS, the City has previously issued its 2007 Capital Improvement Bonds (Limited Tax General Obligation), dated as of May 1, 2007, in the original principal amount of \$3,600,000 (the "Prior Bonds") for the purpose of paying all or part of the cost of: acquiring, constructing, furnishing and equipping a new parking structure, including demolition and all necessary site improvements and related appurtenances and attachments; and

WHEREAS, Act 34, Public Acts of Michigan, 2001, as amended ("Act 34"), authorizes the City to refund or advance refund all or any part of its outstanding securities, including the Prior Bonds; and

WHEREAS, the City desires to exercise its right to call the Prior Bonds for redemption and issue refunding bonds to provide for the refunding of the Prior Bonds to accomplish a net savings of debt service costs; and

WHEREAS, the City desires to issue refunding bonds pursuant to Act 34, in an aggregate principal amount of not to exceed Two Million Eight Hundred Thousand Dollars (\$2,800,000) for the purpose of refunding all or a portion of the Prior Bonds in order to achieve interest cost savings for the benefit of the City and its taxpayers; and

WHEREAS, because the security for the bonds will be the same and to reduce the cost of issuance and administration, the City determines that it makes practical and economic sense to combine the bond issues for the Project and the refunding into a single series; and

WHEREAS, the City desires to solicit proposals from financial institutions and other prospective purchasers and negotiate the sale of the Bonds to a purchaser (the "Underwriter") within the parameters established by this Resolution.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Authorization of Bonds; Bond Terms. Bonds of the City designated 2017 CAPITAL IMPROVEMENT AND REFUNDING BONDS (LIMITED TAX GENERAL OBLIGATION) (the "Bonds") are hereby authorized to be issued in the principal amount of not to exceed Five Million Dollars (\$5,000,000), for the purpose of (a) refunding all or a portion of the Prior Bonds, (b) paying the costs of the Project, and (c) paying costs incidental to the issuance, sale and delivery of the Bonds.

The Bonds shall consist of bonds registered as to principal and interest of the denomination of \$5,000 or multiples of \$5,000 not exceeding for each maturity the aggregate principal amount of such maturity, dated as the date of delivery, or such other date as determined by the City Manager or Finance Director (each, an "Authorized Officer"), numbered as determined by the Transfer Agent (hereinafter defined), and maturing or subject to mandatory redemption on October 1st in the years 2018 to 2036, inclusive, or such other dates as shall be determined at the time of sale and in the amounts as determined by an Authorized Officer. The Bonds shall bear interest at a rate or rates to be determined at the time of sale thereof, but in any event not exceeding 6.00% per annum, payable on October 1, 2017 (or such other date as determined at the time of sale thereof), and semi-annually thereafter on April 1 and October 1 by check or draft mailed by the Transfer Agent to the registered owner of record as of the 15th day of the month prior to the payment date for each interest payment. The record date of determination of registered owner for purposes of payment of interest as provided in this paragraph may be changed by the City to conform to market practice in the future. The principal of the Bonds shall be payable at The Huntington National Bank, Grand Rapids, Michigan as registrar and transfer agent for the Bonds (the "Transfer Agent"). The Bonds may be subject to optional or mandatory redemption prior to maturity as determined at the time of sale.

Unless waived by any registered owner of Bonds to be redeemed, official notice of redemption shall be given by the Transfer Agent on behalf of the City. Such notice shall be dated and shall contain at a minimum the following information: original issue date; maturity dates; interest rates; CUSIP numbers, if any; certificate numbers (and in the case of partial redemption) the called amounts of each certificate; the redemption date; the redemption price or premium; the place where Bonds called for redemption are to be surrendered for payment; and that interest on Bonds or portions thereof called for redemption shall cease to accrue from and after the redemption date.

In addition, further notice shall be given by the Transfer Agent in such manner as may be required or suggested by regulations or market practice at the applicable time, but no defect in such further notice nor any failure to give all or any

portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed herein.

The Bonds may be issued in book entry only form through the Depository Trust Company in New York, New York ("DTC") and the Authorized Officers are each authorized to execute such custodial or other agreements with DTC as may be necessary to accomplish the issuance of the Bonds in book entry only form and to make such change in the Bond Form within the parameters of this Resolution as may be required to accomplish the foregoing.

2. Execution of Bonds. The Bonds shall be signed by the manual or facsimile signatures of the Mayor and City Clerk and shall have the facsimile seal of the City printed on the Bonds. No Bond signed by facsimile signature shall be valid until authenticated by an authorized signatory of the Transfer Agent. The Bonds shall be delivered to the Transfer Agent for authentication and be delivered by it to the purchaser in accordance with instructions from the Treasurer upon payment of the purchase price for the Bonds. Executed blank bonds for registration and issuance to transferees shall simultaneously, and from time to time thereafter as necessary, be delivered to the Transfer Agent for safekeeping.

3. Transfer of Bonds. The Transfer Agent shall keep the books of registration for this issue on behalf of the City. Any Bond may be transferred upon such registration books by the registered owner of record, in person or by the registered owner's duly authorized attorney, upon surrender of the Bond for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Transfer Agent. Whenever any Bond or Bonds shall be surrendered for transfer, the City shall execute and the Transfer Agent shall authenticate and deliver a new Bond or Bonds, for like aggregate principal amount. The Transfer Agent shall require the payment by the bondholder requesting the transfer of any tax or other governmental charge required to be paid with respect to the transfer.

4. Security for Bonds; Limited Tax Pledge; Defeasance of Bonds. The City hereby pledges its limited tax full faith and credit for the prompt payment of the principal and interest on the Bonds. The City shall, each year budget the amount of the debt service coming due in the next fiscal year on the principal of and interest on the Bonds and shall advance as a first budget obligation from its general funds available therefor, or, if necessary levy taxes upon all taxable property in the City subject to applicable constitutional, statutory and charter tax rate limitations, such sums as may be necessary to pay such debt service in said fiscal year.

The City Treasurer is authorized and directed to open a separate fund with a bank or trust company designated by the City Treasurer as the 2017 CAPITAL IMPROVEMENT AND REFUNDING BONDS (LIMITED TAX GENERAL OBLIGATION) DEBT RETIREMENT FUND (the "Debt Retirement Fund"), the moneys to be deposited in the Debt Retirement Fund to be specifically earmarked and used solely for the purpose of paying principal of and interest on the Bonds as they mature.

In the event cash or direct obligations of the United States or obligations the principal of and interest on which are guaranteed by the United States, or a combination thereof, the principal of and interest on which, without reinvestment, come due at times and in amounts sufficient to pay the principal of and interest on the Bonds when due, shall be deposited in trust and irrevocably held for the payment and discharge of the Bonds, this Resolution shall be defeased and the owners of the Bonds shall have no further rights under this Resolution except to receive payment of the principal of and interest on the Bonds from the cash or securities deposited in trust and the interest and gains thereon and to transfer and exchange Bonds as provided herein.

5. Construction Fund; Bond Issuance Fund; Escrow Account. The City Treasurer is authorized and directed to open a separate depository account with a bank or trust company or to create a separate account on the books of the City, to be designated 2017 CAPITAL IMPROVEMENT BONDS CONSTRUCTION FUND (the "Construction Fund"), and to deposit into said Construction Fund that portion of the proceeds of the Bonds issued for the purpose of paying the costs of the Project less the accrued interest, if any, which shall be deposited in the Debt Retirement Fund for the Bonds. Any net original issue premium received on sale and delivery of the Bonds shall be deposited in the appropriate account consistent with State and federal law, and if required by State or federal law, may be used to reduce the principal amount of Bonds issued, as determined by the Authorized Officers. Moneys in the Construction Fund shall be used solely to pay the costs of the Project and issuance costs for the Bonds.

From the proceeds of the Bonds there shall next be set aside a sum sufficient to pay the costs of issuance of the Bonds in a fund designated 2017 CAPITAL IMPROVEMENT AND REFUNDING BONDS ISSUANCE FUND (the "Bond Issuance Fund"), which may be established by the City or by the Escrow Agent (hereinafter defined). Moneys in the Bond Issuance Fund shall be used solely to pay expenses of issuance of the Bonds. Any amounts remaining in the Bond Issuance Fund after payment of issuance expenses shall be transferred to the Construction Fund for the Bonds.

The balance of the proceeds of the Bonds, together with other available funds provided by the City, if any, shall be deposited in an escrow fund (the "Escrow Fund") consisting of cash and investments in direct obligations of or obligations the principal

of and interest on which are unconditionally guaranteed by the United States of America or other obligations the principal of and interest on which are fully secured by the foregoing (the "Escrow Securities") and used to pay

the principal of and interest on all or a portion of the Prior Bonds as determined by any of the Authorized Officers at the time of sale (the portion of the Prior Bonds being refunded are the "Refunded Bonds"). The Escrow Fund shall be held in trust by The Huntington National Bank, Grand Rapids, Michigan (the "Escrow Agent"), pursuant to an escrow agreement (the "Escrow Agreement") which shall irrevocably direct the transfer agent for the Refunded Bonds to take all necessary steps to pay the principal of, interest and redemption premium on the Refunded Bonds being refunded when due, and to call the Refunded Bonds being refunded for redemption as specified by the City. The Authorized Officers are each hereby authorized and directed to appoint an Escrow Agent and execute the Escrow Agreement on behalf of the City. The investments held in the Escrow Fund shall be such that the principal and interest payments received thereon will be sufficient, without reinvestment, to pay the principal of, interest and redemption premium, if any, on the Prior Bonds as they become due pursuant to maturity or the call for redemption required by this paragraph. Following establishment of the Escrow Fund, any amounts remaining in the debt retirement funds for the Prior Bonds shall be transferred to the Debt Retirement Fund for the Bonds. The Authorized Officers are each authorized and directed to purchase or cause to be purchased, Escrow Securities, including United States Treasury Obligations – State and Local Government Series (SLGS), in an amount sufficient to fund the Escrow Fund.

6. Bond Form. The Bonds shall be in substantially the following form with such changes as may be required to conform the Bond to the final terms of the Bonds established by the Sale Order:

UNITED STATES OF AMERICA

STATE OF MICHIGAN
COUNTY OF WAYNE

CITY OF GROSSE POINTE

**2017 CAPITAL IMPROVEMENT AND REFUNDING BOND
(LIMITED TAX GENERAL OBLIGATION)**

| | | | |
|----------------------|----------------------|-------------------------------|--------------|
| <u>Interest Rate</u> | <u>Maturity Date</u> | <u>Date of Original Issue</u> | <u>CUSIP</u> |
| | October 1, 20__ | _____, 2017 | |

Registered Owner:

Principal Amount: Dollars

The City of Grosse Pointe, County of Wayne, State of Michigan (the "City"), acknowledges itself to owe and for value received hereby promises to pay to the Registered Owner specified above, or registered assigns, the Principal Amount specified above, in lawful money of the United States of America on the Maturity Date specified above, unless prepaid prior thereto as hereinafter provided, with interest thereon (computed on the basis of a 360 day year consisting of twelve 30-day months) from the Date of Original Issue specified above or such later date to which interest has been paid, at the Interest Rate per annum specified above, payable on October 1, 2017 and semiannually thereafter. Principal of this bond is payable upon presentation and surrender of this bond at the designated corporate trust office of _____, Michigan, or such other transfer agent as the City may hereafter designate (the "Transfer Agent") by notice mailed to the registered owner not less than sixty (60) days prior to an interest payment date. Interest on this bond is payable to the person or entity which is the registered owner of record as of the 15th day of the month preceding the interest payment date as shown on the registration books of the City kept by the Transfer Agent, by check or draft mailed by the Transfer Agent to the registered owner of record at the registered address.

This bond is one of a series of bonds aggregating in the principal sum of \$_____, issued pursuant to Act 34, Public Acts of Michigan, 2001, as amended, and a resolution duly adopted by the City Council of the City for the purpose of (a) paying all or part of the cost of certain capital improvements for the City, (b) paying all or part of the cost of refunding a certain outstanding prior bond issue of the City; and (c) paying the costs of issuance of the bonds of this issue.

This bond, including the interest thereon, is payable as a first budget obligation from the general funds of the City, and the City is required, if necessary, to levy ad valorem taxes on all taxable property in the City for the payment thereof, subject to applicable constitutional, statutory and charter tax rate limitations.

[Bonds maturing in the years 2018 to 20___, inclusive, shall not be subject to redemption prior to maturity. Bonds or portions of bonds in multiples of \$5,000 maturing in the year 20___ and thereafter shall be subject to redemption prior to maturity, at the option of the City, in any order of maturity and by lot within any maturity, on any date on or after October 1, 20___, at par and accrued interest to the date fixed for redemption.]

[Insert term bond provisions, if necessary.]

Notice of redemption of any bond shall be given by the Transfer Agent at least thirty (30) days prior to the date fixed for redemption by mail to the registered owner at the registered address shown on the registration books kept by the Transfer Agent. No further interest on a bond or portion thereof called for redemption shall accrue after the date fixed for redemption, whether presented for redemption or not, provided funds are on hand with the Transfer Agent to redeem this bond.

This bond is transferable only upon the registration books of the City kept by the Transfer Agent by the registered owner of record in person, or by the registered owner's attorney duly authorized in writing, upon the surrender of this bond together with a written instrument of transfer satisfactory to the Transfer Agent duly executed by the registered owner or the registered owner's attorney duly authorized in writing, and thereupon a new registered bond or bonds in the same aggregate principal amount and of the same maturity shall be issued to the transferee in exchange therefor as provided in the resolution authorizing this bond and upon the payment of the charges, if any, therein prescribed.

It is hereby certified and recited that all acts, conditions and things required to be done, exist and happen, precedent to and in the issuance of this bond in order to make it a valid and binding obligation of said City have been done, exist and have happened in regular and due form and time as provided by law, and that the total indebtedness of said City, including this bond, does not exceed any constitutional, statutory or charter limitation.

IN WITNESS WHEREOF, the City, by its City Council, has caused this bond to be signed in the name of the City by the facsimile signatures of its Mayor and City Clerk and a facsimile of its corporate seal to be printed hereon, all as of the Date of Original Issue.

CITY OF GROSSE POINTE
County of Wayne
State of Michigan

By: _____ [Facsimile] _____
Its Mayor

(SEAL)

By: _____ [Facsimile] _____
Its Clerk

7. Useful Life of Project. The estimated period of usefulness of the Project is hereby declared to be not less than twenty (20) years.

8. Negotiated Sale. The City has considered the option of selling the Bonds through a competitive sale and a negotiated sale and, pursuant to the requirements of Act 34, based on the advice of its financial advisor, determines that a negotiated sale of the Bonds will allow more flexibility in accessing the municipal bond market, and to price and sell the Bonds at the time that is expected to best achieve the most advantageous interest rates and costs to the City, and will provide the City with greater flexibility in structuring bond maturities and adjusting terms for the Bonds.

9. Bond Purchase Agreement; Delegation to Authorized Officer; Sale Order. The Authorized Officers are each hereby authorized to negotiate the sale of the Bonds with the Underwriter, negotiate and execute a Bond Purchase Agreement, execute a Sale Order specifying the final terms of the Bonds and take all other necessary actions required to effectuate the sale, issuance and delivery of the Bonds within the parameters authorized in this resolution.

10. Adjustment of Bond Terms; Bond Parameters. The Authorized Officers are each hereby authorized to adjust the final bond details as set forth herein to the extent necessary or convenient to complete the sale of the Bonds and in pursuance of the forgoing is each authorized to exercise the authority and make the determinations pursuant to Sections

315(1)(d) of Act 34, including but not limited to determinations regarding interest rates, prices, discounts, maturities, principal amounts, denominations, date of issuance, interest payment dates, redemption rights and other matters within the parameters established by this resolution; provided that the principal amount of Bonds issued shall not exceed the principal amount authorized in this resolution, the interest rate per annum on the Bonds shall not exceed 6.00% per annum, the underwriter's discount shall not exceed 0.75% of the par amount of the Bonds and the refunding of the Prior Bonds shall result in net present value savings to the City.

11. Tax Covenant; Qualified Tax Exempt Obligations. The City shall, to the extent permitted by law, take all actions within its control necessary to maintain the exclusion of the interest on each issue of the Bonds from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended (the "Code"), including, but not limited to, actions relating to any required rebate of arbitrage earnings and the expenditures and investment of Bond proceeds and moneys deemed to be Bond proceeds. If deemed appropriate, any of the Authorized Officers is authorized to designate the Bonds as "qualified tax exempt obligations" for purposes of deduction of interest expense by financial institutions pursuant to Section 265(b)(3) of the Code.

12. Continuing Disclosure Undertaking. The City covenants to enter into a continuing disclosure undertaking for the benefit of the holders and beneficial owners of the Bonds in accordance with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission, and the Authorized Officers are each hereby authorized to execute such undertaking prior to delivery of the Bonds.

13. Bond Counsel. The appointment of the law firm of Miller, Canfield, Paddock and Stone, P.L.C. of Detroit, Michigan, as Bond Counsel for the Bonds is hereby confirmed, notwithstanding the periodic representation by Miller, Canfield, Paddock and Stone, P.L.C., in unrelated matters of the Underwriter and other parties and potential parties to the issuance of the Bonds.

14. Financial Advisor. Bendzinski & Co., Municipal Finance Advisors, is retained as the registered municipal advisor to the City in connection with the issuance of the Bonds.

15. Authorization of Other Actions. The Authorized Officers are each authorized and directed to (a) approve the circulation of a preliminary official statement describing the Bonds and to deem the preliminary official statement "final" for purposes of Rule 15c2-12 of the SEC; (b) approve the circulation of a final official statement describing the Bonds and to execute the same on behalf of the City; (c) solicit bids for and approve the purchase of a municipal bond insurance policy for the Bonds; and (d) do all other acts and take all other necessary procedures required to effectuate the sale, issuance and delivery of the Bonds.

16. Rescission. All resolutions and parts of resolutions insofar as they conflict with the provisions of this Resolution be and the same hereby are rescinded.

RESOLUTION DECLARED ADOPTED.

2017 ROAD IMPROVEMENTS

City Manager Dame made the following report:

The five year road improvement plan is made possible by the voter's approval of a 2.5 mill levy, and is reviewed annually by City Council. Each winter actual projects for the upcoming construction year are reviewed by Council and authorization is given to the work to be engineered and bid out early in the calendar year to ensure the best possible bids. It was noted that due to the upcoming DTE gas main work, future years' projects may be affected. The City will attempt to coordinate its plans for future roadwork with DTE's road repairs. This may result in staff recommending some of the future year's work on Maumee and possibly Charlevoix to be advanced to coincide with when DTE's work is done.

City Engineer Stephen Pangori gave a PowerPoint presentation of the 2017-2021 Street Capital Improvement Plan. He answered various Council questions regarding the pavement condition survey and the proposed project schedule and the summary of changes to the plan. The Council discussed the projects proposed to be completed in calendar year 2017 and the estimated cost of these projects is \$822,483.

Motion by Council Member Parthum second by Council Member Walsh to approve the 2017 Road Improvement Plan.

UNANIMOUSLY ADOPTED.

AMENDMENT – PARKS & RECREATION FEE STRUCTURE

Parks & Recreation Director Hardenbrook made the following report:

The Parks and Harbor Commission has conducted a mid-year review of the marina fee structure, particularly the small boat storage racks. The Commission has identified an increase in maintenance and repair costs for the small boat floating dock, ramp, concrete pad and sea wall requiring work this year. This review is being completed mid-year to allow the proposed changes to be implemented in time for the summer season. The proposed changes are the kayak storage fee increased from \$100 to \$150 per year and the small boat/sunfish storage fee increased from \$150 to \$200 per year.

Motion by Council Member Stempfle second by Council Member Parthum to adopt the proposed fee structure effective upon enactment for the Parks & Recreation Department.

UNANIMOUSLY ADOPTED.

PROPOSED ORDINANCE FOR HOURS OF OPERATION OF BUSINESSES

City Manager Dame made the following report:

The City has a general business hours of operation ordinance that prohibits businesses from being open after midnight. After legal research, it is clear that Michigan Liquor Control rules supersede local authority on this topic. The holder of an on-premise liquor license such as those held by Whiskey Six and Village Grill, et. al., can operate until 2:00 am notwithstanding any local ordinances. Therefore, an ordinance is proposed to eliminate the conflict between the state liquor license rules and the City’s general business ordinance. It was noted that except for businesses with an on-premise liquor license, the ordinance keeps the general business hours mandating closure by midnight.

ORDINANCE ADOPTION

MOTION by Council Member Tomkowiak supported by Council Member Boettcher, that the following ordinance be adopted:

ORDINANCE NO. 428

An Ordinance to amend and re-state Section 18-72 of the Code of Ordinances of the City of Grosse Pointe, hours of operation of businesses

(For complete text of Ordinance No. 428 - see Ordinance Book of the City of Grosse Pointe)

UNANIMOUSLY ADOPTED.

APPOINTMENTS TO URBAN FORESTRY COMMISSION

Mayor Scrace submitted his nominations for the Chair and charter members of the Urban Forestry Commission:

- Rick Whitney, Chair
- Alaine Bush, David Draper, Larry Saylor, Jeffrey Swantek
- Sheila Tomkowiak, Council Representative

Motion by Council Member Parthum second by Council Member Stempfle to accept the Mayor’s nominations and appoint those noted above to the Urban Forestry Commission.

UNANIMOUSLY ADOPTED.

PUBLIC COMMENT

Debbie Brady, 586 Neff expressed disappointment on the news of Bruegger's Bagels closing in The Village.

STAFF REPORTS

Parks & Recreation Director Hardenbrook updated Council on WinterFest preparations and upcoming marina renewals. Public Safety Director Poloni updated Council on the recent Women's march. City Manager Dame reported that three hotel proposals were received and the review process is underway. A public hearing on the hotel development proposals has been set for Monday, February 13, 2017 at the Unitarian Church at 7:00 pm.

On Motion, the meeting was adjourned at 8:34 p.m.

Julie E. Arthurs, City Clerk
City of Grosse Pointe