

**VILLAGE OF GROSSE POINTE SHORES, A MICHIGAN CITY
MEETING OF THE CITY COUNCIL
TUESDAY, MAY 19, 2020 – 7:00 P.M.**

1. CALL MEETING TO ORDER - A monthly meeting of the City Council of Village of Grosse Pointe Shores, a Michigan City was held by telephone conference on Tuesday, May 19, 2020. The meeting was called to order at 7:04 p.m. by Mayor Kedzierski

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL – Clerk Bruce Nichols

Present: Mayor Thaddeus Kedzierski, Council Members Robert H. Barrette, Sandra Cavataio, Danielle Gehlert, Doug Kucyk, John T. Seago and Matthew Seely

Absent: None

Also present: City Clerk Bruce Nichols
Interim City Manager Thomas Krolczyk
City Attorney Brian Renaud
Finance Officer/Treasurer Rhonda Ricketts
Public Safety Director John Schulte
Public Works Director Brett Smith

4. APPROVAL OF MINUTES OF THE MARCH 17, 2020 REGULAR MEETING

On motion by Council Member Kucyk, seconded by Council Member Seago, and carried unanimously, the minutes of the March 17, 2020 regular meeting were approved.

5. RECEIVE AND FILE VARIOUS BOARDS, COMMITTEES & COMMISSIONS MINUTES

On motion by Council Member Kucyk, seconded by Council Member Seago, and carried unanimously, the minutes of the various boards, committees and commissions were received and filed.

6. PUBLIC COMMENT ON AGENDA ITEMS - None

7. PUBLIC HEARING-FISCAL YEAR 2020/2021 BUDGET, TAX RATE, WATER RATE

On motion by Council Member Seago, seconded by Council Member Barrette, and carried unanimously, it was resolved that Council go into public hearing regarding the budget, tax rate, and water rate.

A. Adoption of Fiscal Year 2020/2021 Budget

Finance Officer/Treasurer Rhonda Ricketts explained the circumstances regarding the budget to Council. She also addressed capital expenses on vehicle purchases that have occurred and that will be needed.

Having recommended approval of the proposed 2020/2021 Fiscal Year Budget, Finance Committee Member and Pension Commission Member Charles Ruifrok was available for questions from Council Members.

On motion by Council Member Cavataio, with support by Council Member Seago, and carried unanimously, it was resolved that the Finance Committee is authorized to explore a bid process for all municipal contracts in attempt to cut costs in future.

Based on the recommendation of the Finance Committee and staff, on motion by Council Member Barrette seconded by Council Member Gehlert, and carried (6-1), with Council Member Kucyk opposing, it was resolved that the proposed budget be adopted on a fund and activity basis for the fiscal year 2020/2021; specifically, to wit, with the General Fund at the functional level and all other funds at the expenditure level.

B. Establish 2020 Tax Rate

The Finance Committee recommended establishing the 2020 tax rate as the same rate for 2019 to be levied July 1, 2020 as follows:

General Operations	13.0581
Capital Equipment	0.1009
Refuse	2.17565
Pension	1.2036
PA 359	0.1681
Debt Service	<u>0.9959</u>
Total Tax Rate	17.7031

On motion by Council Member Barrette, seconded by Council Member Cavataio, and carried unanimously (7-0), the *Total Tax Rate* of 17.7031 was approved.

C. Proposed Water/Sewer Rate

Finance Officer/Treasurer Rhonda Ricketts explained the increase by the Great Lakes Water Authority (GLWA) confirming their water rate increase for fiscal year 2021 of 3.4689%. Normally this rate increase would be effective July 1, 2020. Due to the Covid -19 pandemic, the increase has been deferred until October 1, 2020. The Southeast Macomb Sanitary District's (SEMSD) preliminary numbers are showing an increase of 8.0763% for sewage effective July 1, 2020. The current water/sewer rate is \$14.79 per 100 cubic feet of water usage with a minimum quarterly bill of \$221.85.

On motion by Council Member Barrette seconded by Council Member Kucyk and carried unanimously (7-0) it was approved by City Council to increase the water/sewer rate by 4.72% effective July 1, 2020 to \$15.49 per 100 cubic feet of water usage. The quarterly minimum bill will become \$232.35 and become effective October 1, 2020, the water/sewer rate will become \$15.68 per 100 cubic feet of water usage to factor in the GLWA increase. The quarterly minimum bill would then become \$235.20.

On motion by Council Member Barrette seconded by Council Member Kucyk, and carried unanimously, it was resolved that Council return to regular session.

8. REPORTS BY CHAIRPERSONS OF BOARDS, COMMITTEES AND COMMISSIONS

A. Budget and Finance – Finance Officer/Treasurer Rhonda Ricketts

1. *Approval of Bills.* The monthly bills were presented by Finance Officer/Treasurer Rhonda Ricketts who explained payments included two (2) months of normal transactions and several large transactions. Council Member Seago had a question regarding bulk purchase of some office supplies. Rhonda Ricketts explained that a storage issue within the building limits such type of bulk acquisitions. On motion by Council Member Kucyk, seconded by Council Member Seely, and carried unanimously (7-0) the bills were approved for payment.
2. *Review of Financial Statements -* Finance Officer/Treasurer Ricketts presented the current financial statements, including balance sheet, with revenue and expenditures for review by Council. She explained we will have a better understanding of the budget at the end of the month in light of some unusual expenses associated with flooding and the Covid -19 crisis.

B. Public Safety – Chief John Schulte reported all Public Safety Officers are healthy, the GPW/GPS shared dispatch/lockup arrangement is working well, and Nixle messaging capabilities have been expanded. He encouraged residents to sign up for Nixle by going on the municipal website. His department is in the process of investigating fire pumpers. Monitoring park ranger staffing with the Covid-19 situation has been problematic. The Chief presented an abbreviated *2019 Public Safety Annual Report* with highlights. The city experienced two (2) major fires during the last 12 months. PSO awards and promotions will be scheduled in the future.

C. Public Works – Director Brett Smith reported Covid-19 has been a challenge with required manpower shifting and protection of public works staff. Flowers have arrived and will be in by Memorial Day. Seven (7) water overflow discharge pumps in park cannot keep up with the high water. There has been some damage due to wave action. A jet ski rack broke loose; and an overlook wooden railing was destroyed. Grass cutting has been delayed because of wet weather. The city has only three (3) employees for the park as of this date. More employees are needed; however, they are not available. The Milk River is backing up on north end of Lake Shore with resultant overflow.

- D. **Parks Committee** –Council Liaison Matthew Seely reported the Park will be open for limited hours. He is hopeful for park usage expanding during the summer season. As of this date, *the 4th of July Fireworks* is still scheduled.
- E. **Harbor Committee** – Chairman Donn Schroder reported the next meeting will occur June 3rd. The harbor is fully functional despite the high water.
- F. **Infrastructure Report** –Council Liaison Matthew Seely reported on having met for 8 hours with city engineers regarding our aging sewer system. There was not a great deal of good news to report as will be more evident with the upcoming scheduled discussion regarding the SEMSD *Memorandum of Understanding*.
- G. **GPSIF** – President Daniel Fleming reported Foundation meetings were cancelled due to the Covid-19 crisis.
- H. **Communications Committee** – Chairman Danielle Gehlert reported the Covid-19 pandemic mandates have hampered any improvements to municipal communications. She made reference to Brian Geraghty’s communication from last month which was given to Council.
- I. **Legal Report** – City Attorney Brian Renaud reported on having provided the following legal services during the previous month:

Advise administration on the *Executive Orders* of Governor Whitmer, Open Meeting Act, a large FOIA response, social distancing and ever-changing circumstances regarding the Covid-19 crisis, SE Michigan Sanitary District matter, and communications with city planner on a construction matter.

- J. **Manager’s Report** – Interim City Manager Tom Krolczyk reported the DPW has done great job of battling Lake St. Clair with the marina dike. He thanked Rhonda Ricketts for all her good work on the budget. The tennis courts will be opened on a limited basis. He encouraged voters to use absentee ballots in the August election as our ballot personnel do not want to engage with public. The municipal building is being modified to comply with Covid-19 safety requirements. Flooding and churning water along Lake Shore has become a big problem with shore erosion. The city narrowly avoided a catastrophic loss of a sewer line along Lake Shore from high water intrusion.

9. OLD BUSINESS – None

10. NEW BUSINESS

A. HRC Presentation-SEMSD Memorandum of Understanding

Jesse VanDeCreek, Edward Zmich with Jennifer Morreli of HRC were part of the meeting. There have been three meetings with city regarding the SEMSD *Memorandum of Understanding*. Jesse VanDeCreek gave an overview of the flow pattern of sewage in GPS and the city’s maximum allowable discharge into the system. The Cook Road Pump Station is unable to maintain the demands of the

system to separate the sewage from the stormwater discharge. There is no additional capacity left in the system for the excessive GPS discharge. GPS entered into an agreement in 2018 to reduce the discharge into the system for purpose of compliance with the discharge limitations. The city is unable to meet the corrective action plan milestones as agreed to. This infrastructure capital expense will be an enormous financial burden for the city. Failure of leaking pipe and water infiltration into sewer drains is common. Construction in the third year and thereafter will be in the range of 15 million dollars. GPS costs for exceeding the agreed limits required the city to pay \$115,000 in penalty for over-flowage. Mr. VanDeCreek made a request to SEMSD to extend and relax the compliance period and waive overflow fees. There are legal implications in contractually violating the terms of the *Memorandum of Understanding*. GPS is the only member of the SEMSD not to have a basin to treat sewage before dumping untreated sewage into the system. The patience of SEMSD in GPS not addressing this compliance problem is wearing thin.

Council Member Seely motioned, seconded by Council Member Gehlert, to allow the Infrastructure Committee to approach SEMSD to relax the deadlines and waive fines to then be used to pay for compliance and bonding of a remedial project to obtain compliance with the SEMSD *Memorandum of Understanding*, which passed unanimously (7-0).

HRC Jessee VanDeCreek then pointed out the need for evidence of commitment for resolution of the remedial plan by approving a \$215,000 authorization to commence engineering work with Phase 1 and Phase 2. Council Member Seely suggested the Finance Committee and the Infrastructure Committee examine the costs in relation to what study has already been completed. DPW Director Smith addressed the issue and said reviews have been done; and he recommended the \$215,000 be authorized for engineering. Council Member Seely motioned to allow authorization to commence engineering work with Phase 1 and Phase 2 in an amount not to exceed \$215,000, which was approved unanimously (7-0).

B. Cornerstone, Mark Manquen-Retiree Health Care Presentation.

There are 35 retirees receiving benefits. 60% of health care budget is for health care plan for retirees. There is \$9.2 million dollar shortage of funding of the health care plan. Mr. Manquen recommended an 80/20 cost sharing program for the retirees as the current employees have. The annual savings would be approximately \$135,000 for the city by adoption of the 80/20 retiree plan.

Discussions ensued with Mark Manquen and questions arose among Council members.

On motion by Council Member Seely, seconded by Council Member Seago, and carried 6-1 with Council Member Kucyk opposing, it was resolved that retiree benefits would be amended to reflect the same 80/20 sharing plan that active employees currently have.

C. PY 2020 CDBG Funding (The Helm/PAATS)

Councilmember Barrette explained the CDBG Funding system and the utilization of such funds by the community. On motion by Council Member Barrette, seconded by Council Member Gehlert, and carried unanimously (7-0), it was resolved that the PY 2020 CDBG Funding Application be authorized and staff is authorized to proceed and sign the application.

D. 2020 Wayne County Annual Pavement Restoration, Maintenance and Special Events Permits

On motion by Council Member Barrette, seconded by Council Member Kucyk, and carried unanimously (7-0), it was resolved that a resolution was passed authorizing administrative staff to execute the 2020 Wayne County Annual Pavement Restoration, Maintenance and Special Events Permits

E. Osius Park Pool Opening-Discussion

Council Member Gehlert suggested an orderly and limited opening of the pool in accordance with the Executive Orders of the Governor. Issues regarding liability for the opening of a pool were discussed. City Attorney Renaud suggested awaiting the next May 28th Executive Order of the Governor which is anticipated to address the opening of pools.

On motion by Council Member Seely, seconded by Council Member Gehlert, and carried 4-3, it was resolved that the municipal pool will be opened upon the issuance of an annual pool operating permit by the Wayne County Department of Health.

11. PUBLIC COMMENT ON NON-AGENDA ITEMS

Brian Geraghty had comments regarding his letter addressed to Council regarding the Ethics Committee.

12. COUNCIL MEMBERS' COMMENTS

Council Seely expressed his appreciation for the extraordinary effort of our public service staff for the way they have handled the Covid-19 emergency.

13. MAYOR'S COMMENTS – Mayor Kedzierski

Mayor Kedzierski also expressed his appreciation for the extraordinary effort of our public service staff for the way they have handled the Covid -19 emergency, flooding occasioned by high lake levels, and work on the preparation of the annual budget.

The Mayor reported the next Council Meeting June 16th, 2020 will be safely conducted at the Osius Park Pavilion.

14. NOTE DATES OF FUTURE CITY COUNCIL MEETINGS (Tues,6/16/20-7 pm & Tues, 7/21/20 -7pm)

15. NOTE DATES OF FUTURE TOWN HALL MEETINGS (Sat, 9/12/20 10am)

16. ADJOURNMENT

On motion of Council Member Kucyk, supported by Council Member Barrette, and carried unanimously, the meeting was adjourned at 9:55pm.

Bruce R Nichols
City Clerk