

MINUTES OF THE MEETING OF THE COMMITTEE-OF-THE-WHOLE OF THE CITY OF GROSSE POINTE WOODS HELD ON MONDAY, AUGUST 7, 2017, IN THE CONFERENCE ROOM OF THE MUNICIPAL BUILDING, 20025 MACK AVENUE, GROSSE POINTE WOODS, MICHIGAN.

PRESENT: Mayor Novitke
Council Members Bryant, Ketels, Koester, McConaghy, Shetler
ABSENT: Granger

ALSO PRESENT: City Administrator Smith
City Attorney Chip Berschback
Treasurer/Comptroller Behrens
City Clerk Hathaway
Director of Public Services Schulte
City Engineer Lockwood

Also in attendance were WCA Assessing Managers, Doug Shaw and Erin Powers.

Mayor Novitke called the meeting to order at 7:01 p.m.

Motion by Bryant, seconded by Shetler, that Council Member Granger be excused from tonight's meeting.

Motion carried by the following vote:

Yes: Bryant, Ketels, Koester, McConaghy, Novitke, Shetler
No: None
Absent: Granger

Motion by Bryant, seconded by Koester, that all items on tonight's agenda be received, placed on file, and taken in order of appearance.

Motion carried by the following vote:

Yes: Bryant, Ketels, Koester, McConaghy, Novitke, Shetler
No: None
Absent: Granger

The first item discussed at tonight's meeting was regarding services provided by **WCA Assessing**. The City Administrator stated things are going well with WCA Assessing providing services to the City. The Mayor stated with the upcoming retirement of Ms. Meli, he requested assurances that the City would not need to increase WCA staff time while continuing to provide continued timely and quality customer service.

Mr. Shaw stated WCA will handle some work off-site and continue with a staff person in-house one day per week with PRE's being accepted by front office staff. Property tax

liability and other questions may be referred to WCA City voice mail. He stated voice mail has worked in other jurisdictions with similar make-ups. The cost would be the same with a cost of living increase as identified in the current contract.

The City Administrator stated WCA Assessing services has worked out well, and he has received no complaints. He stated the IT Manager is working on installing a voicemail/email whereby an inquiry would be accepted by the voicemail and WCA would respond to the message accordingly. Mr. Shaw stated the voicemail outgoing message will identify in-office hours, and he anticipates being able to respond within the same day.

There was a consensus that the Committee was satisfied with WCA Assessing services.

Motion by McConaghy, seconded by Koester, to remove this item from the Committee-of-the-Whole agenda.

Motion carried by the following vote:

Yes: Bryant, Ketels, Koester, McConaghy, Novitke, Shetler
No: None
Absent: Granger

Next, the Committee discussed the current **hiring freeze**. The Mayor stated that the current procedure for filling a position vacancy requires Council approval. The City Administrator and City Clerk provided an overview regarding the requirements of the current labor union contracts with respect to contractual wages offered when filling a vacated position. There was a consensus of the Committee to eliminate the requirement to obtain Council approval to fill a vacant position as long as it is not a change in staff numbers or wages.

Motion by Koester, seconded by Shetler, to remove this item from the Committee-of-the-Whole agenda.

Motion carried by the following vote:

Yes: Bryant, Ketels, Koester, McConaghy, Novitke, Shetler
No: None
Absent: Granger

New Business:

- The City Administrator provided an overview regarding a request from The Detroiters to film in Lake Front Park. He stated residents would not be able to use the Activities Building or the basketball court, and that the facilities have not been reserved for use. The Detroiters has offered \$2,500.00 to use City facilities for filming. They would set up in the evening on August 14, film on August 15, and remove their equipment on the August 16th. Filming in the Court Room may also be requested in the future. One stipulation discussed was that the City name not be identified. There was a consensus of the Committee to permit The

Detroiters to film in City facilities contingent upon the City not being identified, and appropriate insurance be provided.

The Chair recessed the meeting at 7:25 p.m., and reconvened at 8:16 p.m. in the Council Chambers for a power point presentation and due to the number of people in attendance.

The City of Harper Woods Vivian Sawicki, Council Member, and Randolph Skotarczyk, City Manager, were in attendance.

The Committee commenced discussing the **Milk River** project. The Chair provided an overview stating that the individuals managing the Milk River project are requesting to perform work in Lake Front Park prior to Labor Day. The concern is that there is no Easement Agreement in place and it is claimed by the contractor that the project has incurred a projected \$1.1 million overrun.

John Brennan, attorney for the Milk River Board, Steve Zajdel from Spence Brothers, and James Rydquist from Tetra Tech were in attendance to provide information to the City Council and Administration and requested permission to perform work on the Milk River project between Memorial Day and Labor Day holidays. The Mayor asked why Easement Agreements were not in place before the contract was approved noting that work is already being done at the Department of Public Works yard. He also wanted to know the total amount of down time affecting the resident's accessibility to the park. He also asked about the \$1 million dollar claimed cost overrun, and why the City was not put on notice sooner of the added cost.

Mr. Brennan stated that state revolving funds were available for the project, which saved dollars on interest payments. Dollars were available for a specified amount of time, therefore the Milk River Board went ahead and obtained bids. Their assumptions and understandings were that easements would not be a big impediment on the project. There was a consent order received from the Department of Environmental Quality indicating the project had to be started. If a restriction had been that no work would be done between Memorial Day and Labor Day, the contractor claims cost would have been significantly higher, whether easements were obtained first or now.

Mr. Brennan believed there has been some misconception regarding impacts on the park caused by work being done during the summer. He stated work will not require closing the park, the main entrance will not be used by construction traffic, work will not impact traffic out into the marina, and that work will not restrict use of the park at all. The only area that needs access by workers during summer is the pump area.

Spence Brother's letter dated July 27, 2017, states additional cost has been incurred. Mr. Brennan stated exploratory work needed to be done in order to determine the type of valves needed for the project. It can take twenty-plus weeks to receive the valves once they are ordered. The original plan was to install the valves in December, and the contract was let in June 2016. The bid specifications did not include restrictions.

The Mayor stated that the Milk River Drainage Board hired the contractor. Their attorney should have reviewed and approved the contract for the Board's review. Also involved in preparing the Easement Agreements should have been the Grosse Pointe Woods City Attorney, City Engineer, Director of Public Services, and the City Administrator.

The City Attorney stated requests for easements have been since June 7, and that he has been working with administration and Mr. Brennan since that time. The City Attorney is requesting terms such as a \$150,000.00 escrow, that Milk River pay for the City Engineer's fees, and indemnification language.

Mr. Brennan stated that no work could be performed until the Easement Agreement was signed causing a delay in the schedule and added cost.

Randolph Skotarczyk, Harper Woods City Manager, stated that 45.11% is Harper Woods share of the cost of this project. Harper Woods Council's position is that it should not have to pay 45.11% for aesthetic costs related to this project. The Milk River Board approved \$10,000.00 for landscaping projects. He stated that projections show Harper Woods is potentially responsible for \$400,000.00 of the claimed project overruns. It was his understanding that the cost overrun was not a functional issue.

Steve Zajdel
On-Site Project Manager
Spence Brothers

Mr. Zajdel provided an overview of the project schedule, and discussed ramifications of a shut down between December and February resulting in the project completing after the original completion date according to specifications causing cost overruns. He stated that as of today, the project is currently seven months behind. The pump station needs to put up a temporary fence to block off the bridge side while work is being performed. He stated he found out about the seasonal restriction in May of 2017. The plan was to work in the recirculation pump station in mid May, and do exploratory work in June. Two valves need exploratory work, and needs to be done before other work may commence.

The Mayor asked all of the parties to get together and provide necessary information at a Committee-of-the-Whole on August 14, 2017.

Director Schulte stated there would be minimal impact to the park and has no objection to work being done regarding the pump stations as outlined.

Mr. Brennan stated traffic will not be impeded during construction at any time, then stated it will be impeded during pipe cleaning operations. There will be an impact at the Park after Labor Day. Drilling auger caps will be loud and the work will take two weeks. A video tape will be filmed identifying the property's condition. In addition to the performance bond, a \$150,000.00 escrow is being requested at a Milk River Drainage Board meeting on August 21st, approximately 10 a.m.

The City Engineer stated the contractor is claiming \$1.1 million in new delay costs effective September 5th if the project is delayed. If access is allowed to the pump house without the restrictions outlined, then they do not expect a work delay with the

exception of possibly valves. Mr. Brennan stated a contingency is built into the project in the amount of \$2 million.

The Mayor requested administration to schedule a meeting with the City Engineer, Director of Public Services, City Administrator, City Attorney, the contractors, and the project engineer bring back necessary Easement Agreements, cost estimates caused by delays, and all concerns in preparation for a Committee-of-the-Whole Meeting on August 14, 2017, at 7 p.m. with a Special City Council Meeting immediately following. If the matter is not prepared to be addressed at the Special City Council Meeting on the 14th then it will be addressed on August 21, 2017.

The Mayor asked assuming the schedule is approved at the Milk River Board meeting August 21, 2017, will there be increased cost. Mr. Zajdel stated there will be a delay causing added cost. Even if easement issues are dropped and work starts on September 5th, the project is looking at a 7 month delay.

When asked, the City Engineer, Director of Public Services, and City Administrator did not have any objection to minimal work being done in the park before an Easement Agreement is solidified.

Council Member McConaghy was excused from the meeting at 9:45 p.m.

Motion by Bryant, seconded by Shetler, that the meeting of the Committee-of-the-Whole be adjourned at 10:00 p.m. PASSED UNANIMOUSLY.

Respectfully submitted,

Lisa Kay Hathaway
City Clerk

Robert E. Novitke
Mayor