

MINUTES OF THE MEETING OF THE COMMITTEE-OF-THE-WHOLE OF THE CITY OF GROSSE POINTE WOODS HELD ON MONDAY, FEBRUARY 13, 2017, IN THE CONFERENCE ROOM OF THE MUNICIPAL BUILDING, 20025 MACK AVENUE, GROSSE POINTE WOODS, MICHIGAN.

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

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

The following were also present at tonight's meeting:

- Bond Counsel Patrick McGow, Miller Canfield Paddock & Stone
- Finance Advisor Robert Bendzinski, Miller Canfield Paddock & Stone
- Zachary Laumer, Plante Moran
- Mark Lachowicz, Plante Moran

Chair Bryant called the meeting to order at 7:31 p.m.

Motion by Granger, seconded by Shetler, 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, Granger, Ketels, Koester, Shetler
No: None
Absent: McConaghy, Novitke

Motion by Granger, seconded by Shetler, that Mayor Novitke and Council Member McConaghy be excused from tonight's meeting.

Motion carried by the following vote:

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

The next item discussed was regarding **road improvements**. The bond sale was addressed first. Mr. McGow explained that the Resolution to authorize the bonds as provided by Mr. Benzynski in the amount of \$2.875 million needs to be adopted by City Council; this the remaining balance available to be borrowed based on the \$10,000,000 in bonds authorized in 2014. Mr. McGow stated bonds would be issued and sold in the spring in preparation for construction to begin in the spring of 2017. The Resolution authorizes the City Administrator and Treasurer/Comptroller to finalize the

terms of the sale. The City Administrator, Director of Public Services, and Treasurer/Comptroller all recommend adoption of the resolution.

Motion by Shetler, seconded by Granger, regarding **2017 Road Program**, that the Committee-of-the-Whole recommend to the City Council adopting the Bond Resolution Authorizing 2017 Unlimited Tax General Obligation Bonds.

Motion carried by the following vote:

Yes: Bryant, Granger, Ketels, Koester, Shetler

No: None

Absent: McConaghy, Novitke

Taken out of order, **payroll tax withholding** was discussed next. Mr. Lachowicz provided an overview and stated additional taxes were paid by employees by way of withholdings for tax years 2011 through 2015. He provided an overview of the Treasurer/Comptroller's payroll analysis spreadsheet and stated the City is attempting to take remedial action. A critical component is to obtain the employees consent for the FICA tax refund. The 2011 and 2012 tax years are closed, 2013 through 2015 remains open; however 2013 will close on April 15, 2017. The Treasurer/Comptroller distributed three documents: a draft Employee Communication: Action required, memo dated February 13, 2017, Plante Moran, and draft Employee Consent form permitting the employer to request a refund for the three tax years. There is approximately \$59,000 total in FICA to be refunded to the City (\$29,000) and employees (\$29,000.) If the employee does not give consent, the City can move forward with a refund request on behalf of the City. Approximately 100 employees are affected. The IRS will pay interest on the money. There was a suggestion to hold an informational meeting for the employees to present FAQ's and opportunity for staff to ask questions. The consent form will cover all three years FICA. The draft employee communication only referred to FICA, and administration was asked to clarify the document to include *additional information to follow*. The City Attorney recommended leaving the wording of the employee communication to Administration to address the other issues affecting refunds such as health care contributions and AFLAC. Member Koester requested a timetable be prepared. There was a consensus of the Committee to move forward with presenting the consent form and the employee communication in paychecks on Wednesday.

The Committee then reverted back to the subject of **Road Improvements**. The City Engineer provided an overview regarding the **2017 Road Program** and the cost sheet provided with the agenda. The total 2017 road project is in the amount of \$3,616,000 and included Brys, which exceeds the original \$10 million bond; \$3,550,000 million remains. Removing Brys would reduce cost by \$145,000. There was a suggestion to include the region north of Vernier and west of Mack being identified as the only zone in the City that has not had some type of improvements; Cook Road was also discussed. The City Administrator was asked to look at obtaining a grant for Cook Road.

Motion by Granger, seconded by Shetler, that the Committee-of-the-Whole recommend that City Council approve the projects as listed, which does not include Brys.

Motion carried by the following vote:

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

The next item discussed was regarding **boat well vacancies/marina improvements**. The Director of Public Services provided an overview of his memo dated January 17, 2017. Administration recommended the installation of shore power boxes and water mains, and installation of six floating docks in place of two empty wells rather than reconfiguring the boat wells to provide larger wells. The Recreation Supervisor stated that vacancies increased in 2006 during the troubled economy. As of two years ago, vacancies had depleted by 10%, and last year vacancies were reduced by 20%. The Recreation Supervisor recommended waiting it out before changing boat well sizes.

Motion by Granger, seconded by Shetler, regarding boat well vacancies/marina improvements, that the Committee-of-the-Whole recommend to City Council approving the expenditure of funds from the boat well enterprise fund for 2017 spring and fall projects.

Motion carried by the following vote:

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

The following individual was heard who requested installation of larger boat wells:

Menhem Aouad
592 Glen Arbor

The next item discussed was regarding **MTT – Settlement Limits**. The City Attorney provided an overview. He stated the City Assessor has acclimated to the established limits. Settlement limits will stay the same. The Assessor is looking for clarification on settling cases in small claims court. Small claims cases are settled as a group of multiple residences. The City Attorney agreed to provide additional information. This item is to remain on the Committee-of-the-Whole agenda.

Motion by Granger, seconded by Shetler, that the following item be removed from the Committee-of-the-Whole:

- MTT – The Rivers.

Motion carried by the following vote:

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

Following a brief discussion there was a consensus of the Committee that the following item remain on the Committee-of-the-Whole:

- Permitted C-2 Special Land Uses.

New Business/Public Comment:

- The City Administrator reported the Conference of Eastern Wayne covered the cost for SEMCOG.
- The City Administrator requested authorization to obtain a temporary hire to assist with the Deputy Comptroller's job duties while the search to fill the Deputy Comptroller position continues.

Motion by Granger, seconded by Shetler, that the Committee-of-the-Whole recommend that City Council authorize administration to hire a temporary employee to work with the Treasurer/Comptroller effective immediately through April 15, 2017, at a cost not to exceed \$10,000.00.

Motion carried by the following vote:

Yes: Bryant, Granger, Ketels, Koester, Shetler

No: None

Absent: McConaghy, Novitke

- Council Member Ketels stated that the Beautification Commission requested to use a credit card reader for the flower sale. There was a consensus of the Committee to allow use of credit card readers for the flower sale and that the Beautification Commission work with Administration on implementation.

Motion by Granger, seconded by Shetler, that the meeting of the Committee-of-the-Whole be adjourned at 9:20 p.m. PASSED UNANIMOUSLY.

Respectfully submitted,

Lisa Kay Hathaway
City Clerk

Robert E. Novitke
Mayor