

MINUTES OF THE MEETING OF THE COMMITTEE-OF-THE-WHOLE OF THE CITY OF GROSSE POINTE WOODS HELD ON MONDAY, JANUARY 30, 2017, IN THE CONFERENCE ROOM OF THE MUNICIPAL BUILDING, 20025 MACK AVENUE, GROSSE POINTE WOODS, MICHIGAN.

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

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

Mayor Novitke called the meeting to order at 7:38 p.m.

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

Motion carried by the following vote:

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

Motion by McConaghy, seconded by Shetler, to excuse Council Member Bryant from tonight's meeting.

Motion carried by the following vote:

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

Taken out of order was discussion regarding **Anderson, Eckstein, and Westrick (City Engineer) billings** and obtaining approval for payment. The City Engineer stated bills are submitted to accounts payable if engineering is already allotted. The Mayor asked the Committee if the bills should be approved by the City Council. Following discussion, there was a consensus of the Committee to place the City Engineer's bills on the Council agenda for approval. This item is to remain on the Committee-of-the-Whole agenda to be revisited in a few months.

The next item discussed was regarding a City **credit card**. The Treasurer/Comptroller requested approval to obtain a City Visa credit card in her name to be managed by the Finance Department and explained that it provides additional opportunity to shop and price items on-line. The card may also be used for training and equipment.

Administration was asked to provide a list of all City credit cards. There was a consensus of the Committee to move forward with the \$2,500.00 credit card limit. The City Attorney was asked to review the Credit Card policy.

Motion by Koester, seconded by Shetler, that the Committee-of-the-Whole recommend to the City Council to approve a City credit card (Visa or MasterCard) to be managed by the Finance Department with a limit of \$2,500.00.

Motion carried by the following vote:

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

Motion by Shetler, seconded by McConaghy, to remove Credit Card from the Committee-of-the-Whole.

Motion carried by the following vote:

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

The next item discussed was regarding the **Local Officers Compensation Commission Minutes dated January 18, 2017**. The commission voted to increase the Municipal Judge's compensation from \$30,000.00 to \$36,000.00, a 20% increase. The Chair stated that Council Member Bryant, the Commission's Council Representative, asked that this item be placed on the Committee-of-the Whole agenda but was absent this evening. This item is to remain on the Committee-of-the-Whole agenda. The City Clerk and City Attorney were asked to provide statute and code information.

The City Clerk read the applicable ordinance, "Sec. 2-410. - Duties. The *local officers compensation* commission shall determine the salary of each *local* elected official. The determination of the commission shall be filed with the city clerk and shall become effective 30 days following the date of such filing unless the city council, by resolution adopted by two-thirds vote of the members elected to and serving on the council, shall reject such salary determination of the commission." The City Clerk was directed to place this item on the Committee-of-the-Whole for February 6, 2017, prior to the City Council Meeting so that Council Member Bryant could be present for information and discussion.

Next, a policy regarding **water billing penalty** was discussed. The Treasurer/Comptroller requested to be granted the authority to waive a water billing penalty in certain circumstances. The City Administrator provided an overview regarding policies from surrounding communities, which identified some communities that allow the penalty to be waived, and some that do not waive penalties. He recommended approving a policy adopting the reasons identified on the proposed ordinance, Section 44-144,

Items 1-5. The Treasurer/Comptroller recommended amending the ordinance and adopting a policy permitting a one time waiver of the penalty for those meeting the specific criteria. The City Attorney was asked to develop a policy including a cap in the amount of \$250.00. This item is to be addressed at a future Committee-of-the-Whole.

A **Pension Ordinance amendment** was discussed next. The City Attorney provided an overview regarding Section 2-294, specifically (b)(4) whereby it requires the City to offer another city-sponsored retirement plan in the event an Appointed Official or Department Directors elect to opt out of the retirement plan. He presented a proposed ordinance.

Motion by Granger, seconded by Shetler, that the modified pension ordinance be placed on the City Council agenda for a first reading.

Motion carried by the following vote:

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

Motion by Shetler, seconded by Granger to remove Pension Ordinance from the Committee-of-the-Whole.

Motion carried by the following vote:

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

Discussion ensued regarding the **trolley**. The Director of Public Services reviewed his memo dated January 5, 2017. The Mayor stated the trolley was purchased using \$42,756.00 from SMART Credits and donations; the City purchased the trolley for \$47,500.00. A mechanic evaluated the trolley prior to purchase and determined minor repairs were needed. The Director of Public Services is recommending selling the trolley due to the extensive and costly repairs anticipated in 2017 estimated at \$16,400.00 minimum. The Mayor asked the Director to find out what happened between the mechanic's original recommendation and now. The Director stated that we could obtain an appraisal and stated the broker's commission is 10% of the sale price. Once sold, the buyer pays to tow it. There was a consensus of the Committee to not repair the trolley. The Director was asked to inquire about the broker's contract, and to remove the trolley stop signs.

Additionally, the Mayor stated that because the trolley only ran half the number of times it was scheduled for last summer, half of the sponsorship monies should be refunded. There was a consensus of the Committee to refund half of the sponsorship monies.

The next item discussed was regarding the **tax tribunal attorney billings**. The Michigan Tax Tribunal attorney statements were reviewed by the Finance Committee on

January 23, 2017, and their recommendation was that City Council not take any action regarding the tax attorney statements. Council Member McConaghy reviewed the billings and stated the City did receive value from their work but questioned two attorneys doing the same thing on the same day, as well as extended meetings. The Finance Committee recommended we pay the balance of the bills, however the City needs to provide guidelines for billing.

Motion by Granger, seconded by Koester, regarding tax tribunal attorney statements, that the Committee-of-the-Whole recommend that City Council ratify the \$106,934.37 paid to Steinhardt Pesick & Cohen, P.C. as previously submitted.

Motion carried by the following vote:

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

Motion by Granger, seconded by Shetler, that tax tribunal attorney statements be removed from the Committee-of-the-Whole.

Motion carried by the following vote:

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

Processing of claims was the next item on the agenda. The City Clerk requested direction from the Committee regarding the procedure for processing insurance claim invoices, specifically whether invoices under \$5,000.00 require City Council approval or can the City Administrator approve them. Following discussion, there was a consensus that all invoices for claims be presented to City Council for payment.

Motion by McConaghy, seconded by Shetler, that processing of claims be removed from the Committee-of-the-Whole.

Motion carried by the following vote:

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

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

1. Audit Presentation;
2. Fence Ordinance;
3. Ghesquiere Park Tennis Courts;
4. Cornerstone: Medical, Prescription & Vision;
5. Treasurer/Comptroller Vacancy;
6. Lochmoor Club-Waive Penalties;

7. Workers Compensation Renewal;
8. Drone Ordinance.

Motion carried by the following vote:

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

Corrected per Council 02/06/17. lkh

The following items were discussed under New Business/Public Comment:

- The Chair provided an overview on prior discussions regarding additional compensation for the Deputy Treasurer and Deputy Comptroller. He stated the Finance Committee did not feel that deputies should be paid additional compensation because they were paid overtime.

Discussion ensued regarding the Deputy Comptroller, and there was added consideration for Shawn Murphy for her work during the audit, saving money by relieving Plante Moran and reducing cost, and her high skill level. The Committee believes her salary should be commensurate with her skill level and keeping with the market rate.

Discussion then segued into other management-level personnel who are also deserved of increases. The City Administrator presented recommended increases effective immediately, which would be in addition to a 2% increase that will be effective July 1st.

Motion by McConaghy, seconded by Shetler, regarding non-union salary increases, that the Committee-of-the-Whole recommend to City Council adopting the salary increases as discussed in the amount totaling \$22,554.88 effective the next pay period; beginning January 31, 2017, through February 12, 2017.

Motion carried by the following vote:

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

Corrected per Council 02/06/17. lkh

- The City Administrator discussed an opportunity presented by the Grosse Pointe Public Schools to engage in the development of an RFP and to create a bid process with Merit Network for a High Speed Fiber Optic Network for the Grosse Pointe and Harper Woods communities. The Superintendent of Schools has asked nine entities for \$2,750.00 to perform a cost study at a total cost of \$24,750.00. He also stated that a Ralph C. Wilson Foundation grant has been applied for in the amount of \$3.5 million to build and construct the high speed fiber community network; which will cover the cost of the fiber only throughout the communities. A provider will be needed to light the fiber. The Chair asked the City Administrator to find out what obligations the City assumes if agreeing to sign the Memorandum of Understanding. The City Administrator is to provide

the number and placement of locations, information on the grant, and terms. There was a concurrence of the Committee to commit the \$2,750.00 to perform a cost study.

Motion by McConaghy, seconded by Ketels, that the meeting of the Committee-of-the-Whole be adjourned at 9:46 p.m. PASSED UNANIMOUSLY.

Respectfully submitted,

Lisa Kay Hathaway
City Clerk

Robert E. Novitke
Mayor