



CITY OF GROSSE POINTE WOODS
20025 Mack Plaza Drive
Grosse Pointe Woods, Michigan 48236-2397

(313) 343-2440
Fax (313) 343-2785

**NOTICE OF MEETING
AND
AGENDA**

COMMITTEE-OF-THE-WHOLE

Mayor Robert E. Novitke has called a meeting of the City Council, meeting as a Committee-of-the-Whole, for **Monday, May 19, 2014, at 7:00 p.m.** The meeting will be held in the Conference Room of the Municipal Building, 20025 Mack Plaza, Grosse Pointe Woods, MI 48236 and is accessible through the Municipal Court doors. In accordance with Public Act 267, the meeting is open to the public and the agenda items are as follows:

1. Call to Order
2. Roll Call
3. Acceptance of Agenda
4. Road Improvement Program Bonding A. Draft Fact Sheet
Proposition
5. New Business/Public Comment
6. Adjournment

Alfred Fincham
City Administrator

IN ACCORDANCE WITH PUBLIC ACT 267 (OPEN MEETINGS ACT)
POSTED AND COPIES GIVEN TO NEWSPAPERS

The City of Grosse Pointe Woods will provide necessary, reasonable auxiliary aids and services, such as signers for the hearing impaired, or audio tapes of printed materials being considered at the meeting to individuals with disabilities. All such requests must be made at least five days prior to a meeting. Individuals with disabilities requiring auxiliary aids or services should contact the City of Grosse Pointe Woods by writing or call the City Clerk's office, 20025 Mack Plaza, Grosse Pointe Woods, MI 48236 (313) 343-2440, Telecommunications Device for the Deaf (TDD) 313 343-9249, or e-mail the City Clerk at cityclk@gpwmi.us.

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What you should know about the 2014 Road Improvement Program Bonding Proposition

On August 5, 2014, Grosse Pointe Woods voters will be asked to vote on a proposal for up to 2.18 mills to pay for up to \$10 million in road construction bonds spread out over ten years. The estimated millage to be levied in 2015 is 0.3555 mills (\$0.36 per \$1000 of taxable value) and the estimated simple average annual millage rate required to retire the bonds is 1.3612 mills (\$1.36 per \$1000 of taxable value). The exact wording of the [Road Improvement Program Bonding Proposition](#) is available on the City of Grosse Pointe website.

----- Frequently asked questions and answers -----

How much will tax rates increase if this proposal is approved?

On average, approval of the \$10 million bond would increase property taxes about \$11.35 per month, or \$136.12 annually, based on a taxable value of \$100,000 (or residential home market value of \$200,000).

How will the funding be used?

If approved, money can only be used for road construction. Grosse Pointe Woods has approximately 57 miles of roads. 7.5 miles of roads have been identified by the City Engineer as requiring immediate replacement. Total cost for replacing 7.5 miles of roads in the immediate replacement category is \$10,500,000. A complete inventory of the City's roads can be found in Section D, pages 1–15 on the [Infrastructure Inventory](#).

What does it cost to reconstruct or resurface a street?

To reconstruct a street, the cost is approximately \$1.4 million per mile. Reconstruction refers to the removal and replacement of the gravel base and asphalt/concrete surface. The process is necessary when the pavement reaches a level of deterioration that does not allow the pavement structure to be rehabilitated.

To mill and resurface one mile of street, assuming the road has a suitable base, the cost is approximately \$700,000. Milling and resurfacing is a rehabilitation method where the top layer of pavement is ground off and new pavement is applied.

If the proposal is approved, which roads will be fixed first?

A combination of factors will be considered, including roads categorized as “immediate” by the City Engineer. Other factors include roads with potential water/ sewer projects, or roads that are in close proximity to those identified as immediate, which may result in discounted construction costs.

How long does a typical residential road last?

A residential road should last 30 years with minimal maintenance (some patching, joint sealing).

Beyond that time, significant patching, resurfacing or reconstruction typically is considered. Currently the City's system consists of concrete roads or composite (asphalt overlaid concrete) roads, so the preceding time frames are based on the life cycle of a concrete road.

Why are so many roads in need of repair?

In the 2007-2008 fiscal year, Grosse Pointe Woods spent \$1,680,000 in road construction. Since then, with the steep decline in tax revenue, construction expenditures have been reduced. Since 2007, the total taxable value of all properties in Grosse Pointe Woods has declined nearly 30%. During that time, tax revenues have decreased approximately \$2,500,000. Despite across the board budget cuts discussed below, the 30% decline in taxable value necessitated substantial decreases in road maintenance and repair. Since 2010, Grosse Pointe Woods has spent approximately \$140,000 each year for road maintenance and patching. There has been no major road construction since 2008.

What budget cuts have been made by the City since 2007?

Since 2007, Grosse Pointe Woods has reduced its workforce by 24 full-time positions and six part-time positions. Since 2009, there have been no pay increases to union or non-union employees. Since 2009, there has been a hiring and pay freeze. The City has increased the employee's share of health care benefits. Union and non-union employees have made wage concessions of approximately 9%. Grosse Pointe Woods has reduced pension benefits and changed the retiree health care, resulting in lower premium cost to the City. Since 2011-12, City employees have had five unpaid furlough days per year.

How will this proposal impact roads that do not require immediate attention?

Additional postponement of roads needing immediate attention will delay fixing roads that are further down the list.

What if I have further questions?

Contact City Administrator Al Fincham at 313.343.2450.