

MINUTES OF THE MEETING OF THE COMMITTEE-OF-THE-WHOLE OF THE CITY OF GROSSE POINTE WOODS HELD ON MONDAY, DECEMBER 13, 2010, IN THE CONFERENCE ROOM OF THE MUNICIPAL BUILDING, 20025 MACK AVENUE, GROSSE POINTE WOODS, MICHIGAN.

PRESENT: Mayor Novitke  
Council Members Bryant, Granger, Howle, McConaghy, Sucher  
ABSENT: None

ALSO PRESENT: City Administrator Fincham  
Treasurer/Comptroller Irby  
City Attorney Don Berschback  
City Clerk Hathaway  
Director of Public Works Ahee  
City Engineers Rabine and Lockwood

Mayor Novitke called the meeting to order at 7:35 p.m.

Motion by Bryant, seconded by Granger, 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, Howle, McConaghy, Novitke, Sucher  
No: None  
Absent: None

The first item discussed was regarding **water service contract amendment/water and sewer rates FY 2011/12**. Engineer Rabine provided an overview regarding the 30-year water contract with Detroit. The contract term is re-opened to negotiate at this time. Detroit is figuring on, and expecting to receive, the same revenue even though less water is being used, therefore Detroit has raised the rates to compensate for reduced usage. DWSD plans to increase from invoicing 25% of the capital/debt service cost to 70% followed by 100% in FY 2012/13. The City Engineer was asked to provide projections on how much the increases are going to be on a yearly/monthly basis.

Mr. Rabine explained it is necessary to pass an amendment to the contract with Detroit by January 14<sup>th</sup>, identifying future contract limits. Mr. Rabine suggested approving the agreement that includes 85,000 mcf per year, and a 4.96 peak flow rate. He explained that meter and pipe sizes can affect usage amounts and that it may be appropriate to change rate for some of the meters. He recommended the City consider a rate increase in the amount of 4.55% for the average residential user, effective July 1, 2011, which includes meter and billing charges, water/sewer commodity charges, combined water and sewer, and capital improvement charge. Mr. Rabine recommended adopting Table 1 – Existing and proposed Water & Sewer Rate Comparison. Previously AEW had advised the Committee to plan on a rate increase of between 5-6%, but with the adoption of Table 1 the increase will be 4.55% for the average residential user, lower than originally anticipated.

The Chair declared a recess at 8:32 p.m., and reconvened at 8:38 p.m.

The City Attorney stated he reviewed the contract amendment and that although the contract favors Detroit, it is non-negotiable.

City Engineer Lockwood recommended the adoption of Table 1 with 85,000 mcf, 4.96 peak flow rate, and stated that it is less volatile and more equitable for the residents. The Treasurer/Comptroller concurred with his recommendation however believed snowbirds and commercial customers will be in opposition. Ahee and Fincham also concurred with administration's recommendations.

The Committee directed the Treasurer/Comptroller to provide additional information including, number of unoccupied households in the winter (snowbirds), meter sizes and the number of each size meter.

Motion by Sucher, seconded by Howle, regarding water/service contract amendment/water and sewer rates FY 2011/12, that the Committee-of-the-Whole recommend that City Council approve the amendment to the contract with Detroit, including Exhibit A, 85,000 mcf, and 4.96 flow rate.

Motion carried by the following vote:

Yes: Bryant, Granger, Howle, McConaghy, Novitke, Sucher  
No: None  
Absent: None

Motion by Bryant, seconded by Granger, regarding water/service contract amendment/water and sewer rates FY 2011/12, that this item be removed from the Committee-of-the-Whole agenda.

Motion carried by the following vote:

Yes: Bryant, Granger, Howle, McConaghy, Novitke, Sucher  
No: None  
Absent: None

Motion by McConaghy, seconded by Granger, regarding water/service contract amendment/water and sewer rates FY 2011/12, that the previous two motions be immediately certified.

Motion carried by the following vote:

Yes: Bryant, Granger, Howle, McConaghy, Novitke, Sucher  
No: None  
Absent: None

The Director of Public Safety then discussed **Public Safety's fleet** and recommended replacement of seven older vehicles with high mileage that have been incurring high repair costs. Public Safety Officer Scott Nota and Assistant Donna Brown presented information detailing the condition of each vehicle in the fleet, repair costs, cost

comparisons, and a new vehicles proposal – lease versus purchase. The City Administrator provided an overview noting that approximately \$70,000.00 had been spent on repairing the existing vehicles, which have accrued in excess of a combined 2,000,000 miles, and additional repairs are needed.

The Chair stated the Committee needed to determine whether to approve replacement of the old vehicles with seven new vehicles, and if yes whether to purchase or lease the vehicles. The cost is 4.9% more to lease than purchase (approximately \$9,000 over three years); lease to own for three years \$192,644.67 versus \$183,601.00 to purchase; which includes \$37,455.00 for graphics and equipment changeover. The vehicles were not included in the FY 2009/10 budget as a result of cost containment. The City Administrator stated that savings realized as a result of recent restructuring of the Department of Public Safety would cover approximately \$150,000 of the cost. The Mayor would like to see costs for obtaining extended warranties, and that Administration analyze if it would be beneficial to the City to have extended warranties for the vehicles based upon the average number of miles per vehicle per year.

There was a consensus of the Committee in favor of purchasing seven new Crown Victoria vehicles in solid black.

The City Administrator was asked to provide the Committee with a recommendation on extended maintenance warranty, including costs, in preparation for the City Council Meeting on January 3, 2011.

Motion by Sucher, seconded by Bryant, regarding Public Safety's fleet, that the Committee-of-the-Whole recommend City Council authorize the purchase of seven Crown Victoria Sedans in solid black.

Motion carried by the following vote:

Yes: Bryant, Granger, Howle, McConaghy, Novitke, Sucher  
No: None  
Absent: None

Motion by Howle, seconded by Granger, that the previous motion be immediately certified.

Motion carried by the following vote:

Yes: Bryant, Granger, Howle, McConaghy, Novitke, Sucher  
No: None  
Absent: None

Motion by Bryant, seconded by Howle, that Public Safety's fleet be removed from the Committee-of-the-Whole agenda.

Motion carried by the following vote:

Yes: Bryant, Granger, Howle, McConaghy, Novitke, Sucher  
No: None  
Absent: None

The Chair declared a recess at 10:18 p.m., and reconvened at 10:25 p.m.

The next item discussed was regarding the **Council vacancy** resulting from the resignation of Gabriela Boddy. The Chair stated that Council should fill the vacancy, place an announcement in the newspaper and on the website advising that biographical sketches are available from the City Clerk or website, or that interested applicants may submit a Statement of Interest to the City Clerk, with a due date of January 10, 2011. There was a consensus of the Committee to concur with the procedure as presented by the Chair. A Committee-of-the-Whole Meeting is to be scheduled for January 17<sup>th</sup> following the Council Meeting to review any such applications. This item is to remain on the Committee-of-the-Whole agenda.

Motion by Howle, seconded by Bryant, that the meeting of the Committee-of-the-Whole be adjourned at 10:51 p.m. PASSED UNANIMOUSLY.

Respectfully submitted,

Lisa Kay Hathaway  
City Clerk