

CITY OF STERLING HEIGHTS
MINUTES OF REGULAR MEETING OF CITY COUNCIL
TUESDAY, MAY 7, 2019
IN CITY HALL

1. Mayor Michael C. Taylor called the meeting to order at 7:00 p.m.
2. Mayor Taylor led the Pledge of Allegiance to the Flag and Melanie D. Ryska, City Clerk, gave the Invocation.
3. Council Members present at roll call: Deanna Koski, Michael V. Radtke Jr., Maria G. Schmidt, Liz Sierawski, Michael C. Taylor, Henry Yanez, Barbara A. Ziarko.

Also Present: Mark Vanderpool, City Manager; Marc D. Kaszubski, City Attorney; Melanie D. Ryska, City Clerk; Carol Sobosky, Recording Secretary.
4. **APPROVAL OF AGENDA**
Moved by Koski, seconded by Ziarko, **RESOLVED**, to approve the Agenda with the addition of Consent Agenda Item 8-O. To set a special City Council meeting for Tuesday, May 21, 2019 at 6:00 p.m. for the purpose of recognizing 2019 recipients of scholarships awarded by the Community Foundation.

Yes: All. The motion carried.
5. **REPORT FROM CITY MANAGER**
Mr. Vanderpool reminded that the Plant Exchange Program, sponsored by the Sterling Heights Beautification Commission, will be held on May 11, 2019 from 10 a.m. to 12 p.m. at the Nature Center. It is a free event, allowing gardeners to exchange plants of various varieties. He recommended those interested in

attending to call 446-CITY. The Sterling Heights Police Department Law Day ceremony will be held on Thursday, May 16, 2019 at 10:00 a.m. at the north entrance of City Hall, with the venue being changed to the council chambers in the event of inclement weather.

Mr. Vanderpool introduced Building Official Mike Viazanko, who will showcase a program the City coordinated and sponsored this past Saturday at Home Depot, and an online permitting system he and his team developed.

Mr. Viazanko shared a short video taken at an event held last Saturday, May 4, where the City's Building Department partnered with Home Depot to bring awareness to Building Safety Month by hosting a kid's workshop event, with this year's theme being "No code, no confidence." In the video, Mr. Viazanko emphasized the importance of construction codes, how they can save lives, and he noted there are brochures available for residents to better understand the permitting process. Emphasis was placed on children's safety.

Mr. Viazanko highlighted a few changes in the Building Department, including the incorporation of new technology. They have developed a streamlined process for people to access online permitting, which will be available 24/7. He added there is a free app that can be downloaded to a smart phone to make the process even easier. Community Relations has also added a quick link to the City's website home page, and the links provide a lot of information. A permit application can be printed out for anyone who chooses to come in and submit their permit application in person at the Building Department. He

advised that plumbing, mechanical, electrical and roofing permits can be obtained online, and for a minimal fee of \$8.50, they can follow six easy steps, and he outlined those steps. Inspections can also be requested online, and results will be emailed once completed. His department continues to look for ways to be more efficient and ways to elevate the services they provide.

Mr. Vanderpool stated they look forward to advancing their ecommerce and e-government efforts, and this is one more example. He concluded his report by stating that at the conclusion of tonight's agenda, he is requesting that Council convene a Closed Session pursuant to Section 8E and H of the Open Meetings Act to consult with the City Attorney regarding two confidential written legal opinions and to discuss legal strategy in connection with the City's pending litigation in Macomb County Circuit Court, Case No. 2017-00052-AS.

6. PRESENTATIONS

A. Mayor Taylor stated this is a yearly presentation around this time of the year to adopt a resolution recognizing May 11, 2019 as Letter Carriers Food Drive Day in the City of Sterling Heights and encouraging residents to donate food to this worthy cause. He invited Mr. Mike Sheridan, Food Drive Coordinator for Branch 4374, to give a presentation.

Mr. Mike Sheridan stated this is their twenty-seventh annual food drive taking place the second Saturday of May, as always, in 10,000 cities across America. He appreciated the generosity of the Sterling Heights residents and stated he would like to meet his goal of collecting one pound of food per resident, or about 127,000 pounds. A Kroger bag

attached to a postcard will be in the mailboxes tomorrow. He stressed they could not do this without the volunteer effort, so he encouraged residents to show up at the back of the post office on Saturday around 10:00 a.m. to 11:00 a.m. to help sort forty tons of food. The food is loaded and transported to a food warehouse in Clinton Township for distribution to over fifty food pantries throughout Macomb County, and last year, the Macomb Food Program distributed over 2.1 million pounds of food to the hungry in Macomb County. He thanked the Teamsters of Local 299, who volunteer the trucks and the drivers volunteer their time. Over the last twenty-six years, they collected 1.67 billion pounds of food nationwide. People can leave their non-perishable food items in a bag by their mailbox, to be picked up. He appreciated the Resolution recognizing this event in Sterling Heights and thanked the Council and the residents.

There were no comments from anyone in the audience.

Moved by Sierawski, seconded by Schmidt, **RESOLVED**, to adopt the resolution recognizing Saturday, May 11, 2019 as Letter Carriers Food Drive Day in the City of Sterling Heights and encouraging residents to donate food to this worthy cause.

Mayor Pro-Tem Sierawski urged residents to give what they can to this worthy drive.

Yes: All. The motion carried.

7. **PUBLIC HEARINGS**

A. Mayor Tylor stated this is for the 2019/20 Budget Public Hearing and Adoption. He invited Finance & Budget Director Jennifer Varney to give a presentation.

Ms. Jennifer Varney, Finance Director, provided a summary of the budget highlights. The proposed budget was submitted to City Council on March 29, 2019, and has been available for public inspection, with budget workshops held on April 9 and April 23 to review the proposed spending plan. The proposed City budget totals \$246.8 million, and she displayed a chart with the breakdown of the major funds.

Mayor Taylor opened the public hearing and invited comments from the audience.

- Mr. Charles Jefferson – suggested metal detectors in City Hall.
- Ms. Mary Marcinak – suggested designating money for fire hydrants to be painted and ensuring they work.
- Mr. Theron Sevarna – is happy with the new tennis court surface.
- Mr. Harry Marchlones – felt continuous special millages indicate City needs more money to operate their excellent departments.

Mayor Taylor closed the public hearing.

Moved by Ziarko, seconded by Sierawski, **BE IT ORDAINED**, to adopt the Annual Appropriations Ordinance, as amended, for the 2019/20 fiscal year with the following property tax millage rates: 9.4940 mills for Operations, 1.0038 mills for Refuse Collection, 2.1984 mills for Police & Fire Pension, 2.4505 mills for Safe Streets, 0.9506 mills for *Re*Creating Recreation and 01096 mills for Public Improvements (Proposal F) for a total property tax levy of 16.2069 mills.

Councilwoman Ziarko thanked everyone responsible to help them get to the point where they can approve this budget. She understood Mr. Marchlones' comments, especially about Safe Streets, but because of the Headlee Amendment, they know Safe Streets will most likely be perpetual and they will have to renew it periodically. She pointed out that it is still the decision of the residents, the Council has taken the City as far as they can go with the millage rates, and for anything else, she felt the residents will need to approve those expenditures just like they did for Safe Streets and ReCreating Recreation.

Councilman Radtke agreed with Councilwoman Ziarko that Safe Streets is here to stay, so he recommended Council consider a ten-year renewal rather than having a vote on it every six years.

Mayor Taylor thanked all City Administration, especially Ms. Varney, in their hard work on this budget. He appreciated Ms. Varney's leadership and stewardship of this process. He added that a year ago, the Council came forward and proposed an increase for the roads, and although it was necessary last year, he is proud of Council for keeping their word and rolling the taxes back to the rate they were at in 2017. He felt this year's budget accurately reflects their priorities, and he is confident this is a good budget for which the residents can be proud.

Yes: All. The motion carried.

B. Mayor Taylor stated this is to consider the application by Ultimate Hydroforming, Inc. for an Industrial Facilities Tax Exemption Certificate (IFEC) at

42605 Van Dyke Avenue. He invited Senior Economic Development Advisor Luke Bonner to give a presentation.

Mr. Bonner explained the applicant, Ultimate Hydroforming, is one of the leading manufacturers and has grown considerably. They have established a multi-building campus now encompassing six buildings, and they are applying for an Industrial Facilities Tax Exemption Certificate (IFEC) for 42605 Van Dyke, which was brought before Council in 2017 as a speculative building. This project shows the need for industrial buildings in the area and the fact that speculative buildings serve a great purpose. He provided some background on Ultimate Hydroforming, a diverse manufacturing company, from military to aerospace to automotive. He informed the total investment in this project is \$5.4 million. The application reflects five new jobs; however, he noted the owner has indicated they plan on greatly increasing that number, potentially this year. He explained the empty building generated about \$54,000 in property taxes each year since 2017, and as a result of this investment, there will be an additional \$18,000 of city tax revenue, and about \$165,000 of taxes generated over the term of the IFEC, which is recommended for nine years. He anticipated that, based on job creation numbers, they may be back in the future requesting an extension. He introduced Mr. Shane Klyn, President of Ultimate Hydroforming.

Mr. Shane Klyn provided a brief history of their business, which started in 1979 as a prototype shop. They have diversified to meet their

demands and those of their customers, which have grown to the point they cannot do it without the commitment from the City of Sterling Heights. He assured they have no plans to leave the City, and he acknowledged his appreciation for what the City has done for their company. He invited City Council to visit their site to see their capabilities and how they have grown from primarily small numbers of prototypes to more of a production environment, building about 3,000 prototype vehicles. He informed they have had thirteen hires in the last three months, with another twenty-five more anticipated. They have added two programs totaling about \$12 million, with opportunities to triple that number. He noted they are a small company, being a \$35 million shop, but he stressed steps like this will take them to the next level. He thanked the City for their support.

Mayor Taylor opened the public hearing for public comments.

- Mr. Charles Jefferson – questioned percentage of new hires that will be Sterling Heights residents and how many will be minorities.

Mayor Taylor closed the public hearing.

Moved by Schmidt, seconded by Ziarko, **RESOLVED**, to adopt the resolution approving the application by Ultimate Hydroforming, Inc. for an Industrial Facilities Tax Exemption Certificate at 42605 Van Dyke Avenue, Parcel #10-10-09-200-046, for a period of 9 years in accordance with the guidelines established by City Council, and the Mayor and City Clerk are hereby

authorized to sign, as applicable, all documents required in conjunction with this approval.

Councilwoman Schmidt appreciated Ultimate Hydroforming, Inc. expanding their business within the City. She anticipated they will have everything from entry-level positions to skilled trades to engineering, and as far as people applying for those jobs, she imagined they will be open to everyone. She is encouraged by their expansion and investment in the City, and she looks forward to their success.

Councilman Radtke appreciates Mr. Klyn's investment in the City, and he indicated he will be voting in favor of this request. He pointed out, however, that between City and school taxes, they are abating \$532,000 over nine years, and he felt the Council needs to start looking at a Community Benefits Agreement for these abatements. He noted the City goes to the residents for tax increases to pay for Safe Streets but yet abating large amounts of taxes for businesses. He is glad they can help great businesses but how those businesses can help contribute to the community a little more. He reiterated he is in support of this request.

Mayor Taylor thanked Mr. Klyn and his company for their continued investment, and he looks forward to their continued success.

Yes: All. The motion carried.

8. CONSENT AGENDA

Mayor Taylor stated this item is consideration of the Consent Agenda, and he invited public comments.

- Ms. Mary Marcinak – regarding Item 8-L, questioned whether this will have any negative impact on a required masonry wall.

Moved by Koski, seconded by Ziarko, **RESOLVED**, to approve the Consent

Agenda as amended:

- A. To approve the minutes of the Special Meeting of April 9, 2019.
- B. To approve the minutes of the Regular Meeting of April 16, 2019.
- C. To approve payment of the bills as presented: General Fund - \$624,628.58, Water & Sewer Fund - \$2,300,950.99, Other Funds - \$3,278,830.68, Total Checks - \$6,204,410.25.
- D. **RESOLVED**, to approve the purchase of maintenance, repair, operating supplies, and library materials from Amazon Services, LLC, 325 9th Avenue N., Seattle, WA 98109, at pricing available through the U.S. Communities Government Purchasing Alliance, contract #R-TC-17006, through January 18, 2022.
- E. **RESOLVED**, to:
 - a) Purchase two (2) 2019 Ford Interceptor Utility Police Pursuit AWD vehicles from Bartow Ford, 2800 US Hwy North, Bartow Florida 33830, in the cumulative amount of \$62,208.00; and
 - b) Authorize a budget amendment of \$62,208 from General Fund Reserves.
- F. **RESOLVED**, to award the bid for materials and services for removal and replacement of fencing to RMD Holdings, Ltd., d/b/a Nationwide Construction Group, 69951 Lowe Plank Road, Richmond, MI 48062, at unit pricing bid for a two-year period, and authorize the City Manager to extend the bid award two additional one-year periods, upon mutual consent.
- G. **RESOLVED**, to award the bid for sewer maintenance supplies to Core & Main, 6575 23 Mile Road, Shelby Township, MI 48316, at unit prices bid for a one-year period.
- H. **RESOLVED**, to receive the report of the Purchasing Manager pursuant to City Code §2-221(B) regarding the emergency purchase of an 8" Flygt 35HP, 460V submersible pump from Kennedy Industries, Inc., 4925 Holtz Drive, PO Box 930079, Wixom, MI 48393, in the amount of \$32,550.
- I. **RESOLVED**, to receive the report of the Purchasing Manager pursuant to City Code §2-221(B) regarding the emergency purchase of a 6" Flygt 10 PH, 230 V three-phase submersible pump from Kennedy Industries, Inc., 4925 Holtz Drive, PO Box 930079, Wixom, MI 48393, in the amount of \$15,765.
- J. **RESOLVED**, to:

- 1) Purchase 550 ReadyVote voting booths from C.R. Daniels, Inc., 3451 Ellicott Center Drive, Ellicott City, MD 21043, ad a cumulative cost of \$53,364.20; and;
 - 2) Authorize a budget amendment of \$21,364.20 from General Fund Reserves.
- K. **RESOLVED**, to approve final payment to Cadillac Asphalt, LLC, 1785 Rawsonville Road, Belleville, MI 48111, in the amount of \$111,691.12, plus interest on retainage, for Dodge Park Road Resurfacing, 15 Mile Road to Metropolitan Parkway, City Project #18-304, and 15 Mile Road Resurfacing, Mustang Drive to Schoenherr Road, City Project #18-314..
- L. **RESOLVED**, to direct the City Attorney to prepare the necessary agreement to vacate a portion of the existing 12' water main easement for the proposed Chaldean Community Foundation building addition at 6301 15 Mile Road in Section 30; PSP18-0030, EG18-0024 and the Mayor and City Clerk are hereby authorized to sign the agreement on behalf of the City; and
RESOLVED, that City Council indicates no objection to the issuance of a building permit for the Chaldean Community Foundation building addition at 3601 15 Mile Road in Section 30; PSP18-0030, EG18-0024, subject to the following:
- 1) That site plans and building plans be approved by City Administration, prior to issuance of a building permit;
 - 2) That Applicant pay all costs incurred by the City in the preparation of the easement vacation document(s), including attorney fees; and
 - 3) That applicant agrees in writing to indemnify and hold the City, its officers and employees harmless from all damages to persons or property arising from construction activities in the existing easement prior to completion of the vacation process.
- M. **RESOLVED**, to set a public hearing on Tuesday, June 4, 2019 at 7:00 p.m. regarding the application by Des-Claw, LLC to transfer Industrial Facilities Exemption Certificate #2016-103 held by Ric-Man Construction, Inc., 16 42600 R. Mancini Drive.
- N. **RESOLVED**, to accept the proposal by LGC Global Energy FM, LLC, 7310 Woodward Avenue, Suite 500, Detroit, MI 48202, for managed janitorial services for a three-year period, with an option to extend the terms and conditions of the proposal for two (2) additional three (3)-year terms upon mutual consent, and authorize the City Manager to sign all required documentation on behalf of the City, subject to review and approval by the City Attorney.
- O. **RESOLVED**, to set a special City Council meeting for Tuesday, May 21, 2019 at 6:00 p.m. for the purpose of recognizing 2019 recipients of scholarships awarded by the Community Foundation.

.
Yes: All. The motion carried.

9. CONSIDERATION

A. Mayor Taylor stated this is to consider a First Amendment to Amended and Restated Conditional Rezoning Agreement for property situated on the north side of 15 Mile Road, west of Ryan Road, in Section 30, Case No. PZ18-0002 – The Chaldean Community Foundation. He invited City Planner Chris McLeod to give a presentation.

Mr. McLeod stated at the last City Council Meeting, there was discussion at a public hearing regarding the potential waiving of the wall requirement for the Chaldean Foundation on the north side and west side of their development. At that meeting, the City Council postponed action to this meeting specifically to allow the applicant an opportunity to address concerns raised by Council and residents. He advised that the petitioner is continuing to work towards a solution that will hopefully meet the needs and goals of both City Council and the residents, and he has requested additional time to do so, so he would like a postponement to the June 4, 2019 meeting.

Mayor Taylor opened the floor for comments from the audience.

- Mr. Michael Lukasik – resident of Palmer Woods North, the abutting condominium complex, opposed to wall waiver. Submitted petitions signed by residents of the condominium complex, in opposition of the wall waiver and location of the dumpsters. He noted members from the Chaldean Foundation were soliciting signatures in favor of the wall waiver in a gated community where solicitation is not allowed, and he urged Council to vote in favor of the taxpaying residents.
- Ms. Vivian Ramsey – opposed to wall waiver and dumpster location; felt they need to follow the ordinance. She had no objection to the use of the center but would like the wall.

- Mr. David Walker – opposed to wall waiver and felt they should adhere to ordinance requirements. He felt if they could pay for the property and the development, they can pay for the required wall.
- Ms. Anna Lukasik – concerned about noise and odors on their abutting residential properties. She voiced concern that the dumpsters are emptied between 5:30 a.m. and 6:00 a.m. and felt that the Council should be on the side of the taxpaying residents. She expressed concern that neighbors have witnessed rats in the area and suspected it is from the dumpster.
- Ms. Jazmine Early – stressed residents want the wall, and although this is a great project, the ordinance should be followed and a wall put up.
- Ms. Mary Marcinak – complained about a rat problem in the subject area and felt a wall would be safer for residents. She urged Council to deny the wall waiver or repeal the ordinance requiring walls if they are going to grant waivers.

Moved by Radtke, seconded by Ziarko, **RESOLVED**, to postpone consideration of the First Amendment to Amended and Restated Conditional Rezoning Agreement for property situated on the north side of 15 Mile Road, west of Ryan Road, in Section 30; Case No. PZ18-0002 to the June 4, 2019 regular meeting.

Yes: All but Yanez, who expressed opposition. The motion carried.

10. **COMMUNICATIONS FROM CITIZENS**

- Ms. Ernestine ("Terri") Boggio – Grace Christian Church sponsoring a Bikes, Cars & Guitars Show on July 20, 2019 from 9 a.m. to 4 p.m.; outlined some of the anticipated events.
- Mr. Theron Sevarna – Haff Barnthat was torn down and future development on the site; interested in purchasing city bonds.
- Mr. Harry Marchlones – contaminated water going into rivers and lakes; stormwater retention plans should be considered by Planning Commission along with site plans.
- Mr. Charles Jefferson – opening of Polish Market; trade skills and job fairs for the trades in Sterling Heights; metal detectors in City Hall.

11. **REPORTS FROM CITY ADMINISTRATION AND CITY COUNCIL**

Mr. Vanderpool addressed a resident's question regarding a utility line easement relocation, and he indicated that is fairly standard in developments. He indicated it would not interfere with other structures, and if it did, those structures would have to be modified or altered accordingly to make sure the easement relocation could be accommodated. He explained that, with regard to the question from a citizen about the Haff Barn that was torn down, there is a new development going on that property. He acknowledged that, although it is a shame to see a long-standing structure come down, the property owner has the right to use his or her property to the highest and best use. Mr. Vanderpool stated that Srodek Market is partially open, and he anticipated the other portion will be opening soon, with the final component open in the next year. With regard to the citizen's comment about teaching job skills for the trades, Mr. Vanderpool stated that Macomb Community College, Warren Community Schools and others do an outstanding job providing trade educational opportunities and certifications through very robust programs. He encouraged anyone interested in those vocations to visit their websites. With regard to the citizen's comment about implementation of metal detectors at City Hall, he explained Administration has reviewed that in the past, and they feel having police officers present at the City Council meetings affords the protection necessary. He added they are outstanding and are on guard to keep everyone safe. He noted that metal detectors, while they sound good, involve a number of logistical issues and costs involved.

Councilman Radtke appreciated Mr. Marchlones' concerns about draining rainwater, especially from non-porous surfaces. He recalled at the budget hearings, he requested Ms. Varney to come back and talk about a rainwater drainage fee that could possibly be put in place for commercial businesses. He noted some other cities, including the City of Troy, have implemented these fees. He stated he is not for or against it at this point but felt it is something that should be investigated.

Councilman Yanez thanked everyone who came out for Pride and SHINE Day, noting they had a good turnout and were able to work on about thirty properties in none day. He commended Mr. Vanderpool for his hard work, and he stated he is proud of the City and its volunteers who step up to the plate every day.

13. **UNFINISHED BUSINESS**

There was no unfinished business.

14. **NEW BUSINESS**

There was no new business.

15. **CLOSED SESSION**

Mr. Kaszubski stated there are three items for Closed Session this evening.

Moved by Ziarko, seconded by Schmidt, **RESOLVED**, to adjourn into Closed Session.

Yes: Taylor, Yanez, Ziarko, Koski, Radtke, Schmidt, Sierawski.

No: None. The motion carried. The meeting recessed into Closed Session at 8:18 p.m.

The meeting reconvened at 9:12 p.m.

Moved by Schmidt, seconded by Ziarko, **RESOLVED**, to authorize the City Attorney to pursue all available remedies to abate the nuisance conditions and code violations existing at 15032 Rohan Drive and 2767 Pall Mall Drive.

Yes: All. The motion carried.

16. ADJOURN

Moved by Ziarko, seconded by Sierawski, to adjourn the meeting.

Yes: All. The motion carried.

The meeting adjourned at 9:14 p.m.

MELANIE D. RYSKA, City Clerk