

A Special Meeting of the Royal Oak City Commission was held on Monday, March 1, 2010, in Room 309 of City Hall, 211 Williams, Royal Oak. The Meeting was called to order by Mayor Ellison at 6:30 p.m. Present were Mayor Ellison, Commissioner Andrzejak, Commissioner Capello, Commissioner Drinkwine, Commissioner Poulton, Commissioner Rasor and Commissioner Semchena. Also present were City Manager Johnson, City Attorney Gillam, and City Clerk Halas.

Adjourned to Closed Session

Moved by Commissioner Capello
Seconded by Commissioner Andrzejak

BE IT RESOLVED that the City Commission hereby adjourns to Closed Session for purposes of Pending Litigation, Attorney/Client Privilege and Collective Bargaining.

ROLL CALL VOTE

AYES: Commissioners Semchena, Andrzejak, Capello, Poulton, Drinkwine, Rasor and Mayor Ellison

NAYS: None

MOTION ADOPTED

* * * * *

A Regular Meeting of the Royal Oak City Commission was held on Monday, March 1, 2010, in the City Hall, 211 Williams, Royal Oak. The Meeting was called to order by Mayor Ellison at 7:37 p.m.

Commissioner Capello gave the Invocation. Everyone present gave the Pledge of Allegiance.

ROLL CALL	PRESENT	ABSENT
Mayor	Ellison	
Commissioners	Andrzejak Capello Drinkwine Poulton Rasor Semchena	

* * * * *

ANNOUNCEMENTS

Mayor Ellison read a list of upcoming board and committee meetings.

Saturday, March 6, 2010

7:00AM–1:00 PM at the Royal Oak Farmers Market “Think Spring Craft Show”. Lots of beautiful, unique and fun items from over 30 local crafters. Free Admission. Call (248) 246-3276 for more information.

Tuesday, March 9th

6:00 PM– 9:00 PM, at Sangria, “Brickfest 2010” a fundraiser for the Royal Oak Animal Mission to fund improvements at the Royal Oak Dog Park. A \$20 donation at the door includes appetizers. There will be a cash bar, 50/50 drawings, and auctions. For more information see the website at www.royaloakanimalmission.org

Wednesday, March 10th

11:00 AM – 5:00 PM South Oakland Business Expo at the Royal Oak Farmers' Market, 316 E. 11 Mile Rd. Hosted by the Royal Oak Chamber of Commerce and sponsored by Blue Cross/Blue Shield of Michigan. Over 100 member exhibitors showing their business' products and services will be on hand. See www.royaloakchamber.com/business_expo.htm

Saturday, March 13th

11:30AM the Royal Oak Middle School on North Washington Ave. will be the starting location of the St. Patrick's Day Parade. The parade will travel southbound along Washington to Seventh St. Join us for a "Green" – Day!

7:00 PM the Police and Fire Departments face-off for the first annual Royal Oak Guns & Hoses Charity Hockey game at the John Lindell Arena. Proceeds from this year's event will benefit the family of Madison Heights Officer Ryan Settlemoir. Tickets are available at the police and fire stations for \$10 each or 4 for \$30. For more information, contact RoyalOakGunsAndHoses@gmail.com

Sunday, March 14th

The Orson Starr House will be hosting an Open House from 1-4PM. Parking will be available at the Salvation Army Citadel, one block south. For information contact Lois Lance at 248-546-0138.

* * * * *

**PROCLAMATION
ETHNIC & CULTURAL HERITAGE MONTH**

Mayor Ellison and Senator John Pappageorge presented Ms. Joan Larson with proclamations recognizing March as Ethnic & Cultural Heritage Month.

* * * * *

PUBLIC COMMENT

Mr. Jay Dunstan, 111 E. Parent, announced that the black tie, grand opening for the Fire Hall Museum will be Friday, April 30th. Saturday, May 1 is the first day they'll be open to the public. Also, on Wednesday, March 10th the Royal Oak Historical Society will be hosting a Town Hall meeting at Upton Elementary. Mr. Robert Muller will be present a show of pictures "then and now". On Sunday, March 21st the Royal Oak Optimist Club will be holding their annual Bowlabration at Astro Lanes starting at 1:30PM. The cost is \$25 per bowler, four bowlers per lane.

* * *

Ms. Christina Kuo, 1839 Chester, invited everyone to the Royal Oak Area Democratic Club meeting this Saturday from 10AM-12PM at the Mahany/Meininger Senior Center. There will be a guest speaker from the U.S. Census to talk about their outreach efforts in the Royal Oak area.

* * *

Ms. Nancy Barnett, 506 N. Troy, was disturbed that there was talk about closing one of the fire stations. They passed a millage to rebuild the fire stations and purchase equipment. They could not keep order in the town with the numbers they were talking about. Where do we go from here?

* * *

Mr. Kevin Surhigh, 2307 Clawson, and Mr. Mitch (inaudible) questioned why the contract for materials testing wasn't being rebid. They work for a company that does material testing and would like an opportunity to bid.

* * *

Mr. Joseph Fisher, 2808 N. Main, spoke about the recent seizure of medical marijuana from Mr. Christopher Frizzo by the Royal Oak Police Department. He didn't believe the seizure was necessary. He agreed the law needed to be improved but the police should interpret the law in a way that respects the ill and prevents the possibility of costly settlements. With regards to outdoor burning, there was talk of a ballot proposal. They already know people are burning in defiance of the existing ordinance. Wouldn't it be better if they laid out rules and guidelines before summer? Addressing agenda item 9 he believed it entailed a reduction or elimination of mental health and substance abuse coverage for those insured by the city. Could substantial savings be achieved while leaving this coverage intact? It was important for employees and their families to have access to affordable coverage.

* * *

Oakland County Commissioner Gary McGillivray announced that there were openings with Oakland County Parks and Recreation for summer jobs for youths 18 and older. Applications were available on the county's website www.oakgov.com. The deadline is March 2nd. The Dondero Alumni Association is holding a fundraiser at Astro Lanes in Madison Heights on March 6th. Registration begins at 8:30AM. Proceeds will go to the Royal Oak Boys and Girls Club.

* * *

Mr. Frank Houston, 622 Walnut, announced the Library Board offered the position of Library Director to Ms. Mary Karshner. The Library was looking at 10% less revenue next year and 10% less the year after that. They were looking to the public for suggestions on fees for services rather than making cuts or raising taxes.

* * *

Mr. Jim Hodson, 2740 Glenwood, is a paramedic/firefighter with the City. Layoffs are only a temporary solution. They need to work together. He suggested they create a task force with a charge of 30 days.

* * *

Mr. Bill Shaw, theshaw10@yahoo.com, spoke about his research on receivership. Public Act 72 of 1990, Local Government Fiscal Responsibility Act, is the primary State statute under which State officials are authorized to intervene in units of local government that experience serious financial problems or financial emergencies. Some triggers are failure to pay creditors, failure to make timely pension contributions and payless paydays. He again expressed his displeasure with Public Act 312 regarding compulsory arbitration.

* * * * *

APPROVAL OF AGENDA

Items 8D and 8E were removed from the Consent Agenda.

Moved by Commissioner Drinkwine
Seconded by Commissioner Capello

BE IT RESOLVED that the City Commission hereby approves the agenda for the March 1, 2010 meeting as amended.

ADOPTED UNANIMOUSLY

* * * * *

CONSENT AGENDA

Moved by Commissioner Drinkwine
Seconded by Commissioner Capello

BE IT RESOLVED that the City Commission hereby approves the consent agenda as follows:

- A. BE IT RESOLVED that the City Commission Minutes of February 15, 2010 are hereby approved.
- B. BE IT RESOLVED that the claims of February 23, 2010 in the amount of \$3,827,083.26 and February 26, 2010 in the amount of \$1,748,530.43 audited by the Department of Finance are hereby approved.
- C. BE IT RESOLVED that the City Commission hereby approves the Purchase Orders as listed in Commission Letter #54-10 dated 02-25-10.
- F. BE IT RESOLVED that the City Commission approves the Change Order work for the Streetscape Improvements for Fourth Street from Main Street to Washington Avenue be awarded to Lacaria Concrete Construction, Inc. of Detroit, Michigan in the amount of \$170,225.50.
- G. BE IT RESOLVED that the City Commission hereby approves the increase in the contract with Quality Stainless in the amount of \$7,587 for the purpose of the addition of a storage room.
- H. BE IT RESOLVED that the City Commission hereby approves the following reappointments:

<u>Name</u>	<u>Appointment</u>	<u>Term Expires</u>
James C Johnson	Demolition Hearing Officer	12/31/2012
Anthony Offak	Demolition Hearing Officer	12/31/2012

- I. BE IT RESOLVED that Shaw Management of Livonia Michigan be awarded the contract for sliding glass door installation at the Lindell Ice Arena in the amount of \$47,355.
- J. BE IT RESOLVED that the City Commission hereby approves an increased expenditure of \$50,000 for the FY2009/10 Downtown Development Authority budget and a corresponding increase in the use of fund balance of \$50,000 as a revenue source, for an amended budget total of \$3,073,535; to provide for the festival payment in accordance with the current Arts, Beats and Eats Agreement.
- K. BE IT RESOLVED that the City Commission hereby approves the proposed Settlement Agreement in Acharya v City of Royal Oak.

BE IT FURTHER RESOLVED, that the Mayor and City Clerk are hereby authorized to execute the proposed Settlement Agreement on behalf of the City.
- L. BE IT RESOLVED that the Mayor is hereby authorized to execute the agreement between the City of Royal Oak and Royal Oak Downtown Development Authority for the 2nd annual Recycle Royal Oak event on Sunday, April 25, 2010.

FRIENDLY AMENDMENT OFFERED BY COMMISSIONER RASOR TO AMEND THE MOTION BY REMOVING ITEM F FROM THE CONSENT AGENDA.

MOTION NOW READS:

BE IT RESOLVED that the City Commission hereby approves the consent agenda as follows:

- A. BE IT RESOLVED that the City Commission Minutes of February 15, 2010 are hereby approved.
- B. BE IT RESOLVED that the claims of February 23, 2010 in the amount of \$3,827,083.26 and February 26, 2010 in the amount of \$1,748,530.43 audited by the Department of Finance are hereby approved.
- C. BE IT RESOLVED that the City Commission hereby approves the Purchase Orders as listed in Commission Letter #54-10 dated 02-25-10.
- G. BE IT RESOLVED that the City Commission hereby approves the increase in the contract with Quality Stainless in the amount of \$7,587 for the purpose of the addition of a storage room.
- H. BE IT RESOLVED that the City Commission hereby approves the following reappointments:

<u>Name</u>	<u>Appointment</u>	<u>Term Expires</u>
James C Johnson	Demolition Hearing Officer	12/31/2012
Anthony Offak	Demolition Hearing Officer	12/31/2012

- I. BE IT RESOLVED that Shaw Management of Livonia Michigan be awarded the contract for sliding glass door installation at the Lindell Ice Arena in the amount of \$47,355.
- J. BE IT RESOLVED that the City Commission hereby approves an increased expenditure of \$50,000 for the FY2009/10 Downtown Development Authority budget and a corresponding increase in the use of fund balance of \$50,000 as a revenue source, for an amended budget total of \$3,073,535; to provide for the festival payment in accordance with the current Arts, Beats and Eats Agreement.
- K. BE IT RESOLVED that the City Commission hereby approves the proposed Settlement Agreement in Acharya v City of Royal Oak.

BE IT FURTHER RESOLVED, that the Mayor and City Clerk are hereby authorized to execute the proposed Settlement Agreement on behalf of the City.
- L. BE IT RESOLVED that the Mayor is hereby authorized to execute the agreement between the City of Royal Oak and Royal Oak Downtown Development Authority for the 2nd annual Recycle Royal Oak event on Sunday, April 25, 2010.

ADOPTED UNANIMOUSLY

* * *

**HVAC MAINTENANCE SERVICES &
MATERIALS TESTING AND QUALITY CONTROL SERVICES**

Moved by Commissioner Poulton
Seconded by Commissioner Rasor

BE IT RESOLVED that staff shall prepare a Request for Proposals (RFP) for the contract for "City Building Heating, Ventilating and Air Conditioning Routine Maintenance and Extra/Emergency Work".

City Manager Johnson recommended they change the motion from an RFP to a request for bids.

FRIENDLY AMENDMENT OFFERED BY COMMISSIONER POULTON TO AMEND THE MOTION BY INCLUDING THE MATERIALS TESTING AND QUALITY CONTROL SERVICES.

MOTION NOW READS:

BE IT RESOLVED that staff be directed to seek bids on the contracts for "City Building Heating, Ventilating and Air Conditioning Routine Maintenance and Extra/Emergency Work" and the 2010 Material Testing and Quality Control Services.

ADOPTED UNANIMOUSLY

* * *

**SIDEWALK/STREETScape AGREEMENT
4TH STREET, MAIN TO WASHINGTON**

Commissioners Razor and Semchena could not support spending this money on streetscaping.

Moved by Commissioner Drinkwine
Seconded by Commissioner

BE IT RESOLVED that the City Commission approves the Change Order work for the Streetscape Improvements for Fourth Street from Main Street to Washington Avenue be awarded to Lacaria Concrete Construction, Inc. of Detroit, Michigan in the amount of \$170,225.50.

MOTION DIES FOR LACK OF SUPPORT

Moved by Commissioner Razor
Seconded by Commissioner Semchena

BE IT RESOLVED, that the discussion on the Change Order work for the Streetscape Improvements for Fourth Street from Main Street to Washington Avenue be postponed until after the next Downtown Development Authority meeting.

AYES: Commissioners Andrzejak, Poulton, Razor and Semchena

NAYS: Commissioners Capello, Drinkwine and Mayor Ellison

MOTION ADOPTED

* * * * *

**HEALTH PLAN DOCUMENT APPROVAL
MASTER PLAN
HIPPA EXEMPTION FOR MENTAL HEALTH PARITY
CAFETERIA PLAN**

Moved by Commissioner Drinkwine
Seconded by Commissioner Razor

BE IT RESOLVED that the City Commission hereby approves the Master Plan Document for the City of Royal Oak Group Health Plan.

BE IT RESOLVED that the City Commission hereby approves Amendment #1 to the Master Plan Document for the Group Health Plan.

BE IT RESOLVED that the City Commission hereby approves the Master Plan Document for the City of Royal Oak Cafeteria Plan.

BE IT FURTHER RESOLVED that the Mayor and City Clerk are authorized to execute the Master Plan Documents and Amendment #1 on behalf of the City.

ADOPTED UNANIMOUSLY

* * * * *

**ROCK ON THIRD
AMENDED PLAN OF OPERATION**

The lost revenue for the parking spaces will be completely covered. The area will be put up each spring and taken down each fall the same as any other sidewalk café. Staff recommended approval.

Moved by Commissioner Semchena
Seconded by Commissioner Rasor

BE IT RESOLVED, that Two C's, Inc.'s request for a New Outdoor Service (1 Area) in conjunction with 2009 Class C/SDM Licensed Business, with Sunday Sales, Official Permit (Food), Ent-WO, located at 112-114 E. Third, Royal Oak, Michigan, 48067, Oakland County, be considered for approval.

BE IT FURTHER RESOLVED, that the amended Plan of Operation dated February 25, 2010 be approved.

BE IT FURTHER RESOLVED, that the City Commission hereby authorizes the City Attorney to prepare a license agreement for the Rock on 3rd at 112 East Third Street, permitting encroachments into the public right-of-way of East Third Street and an adjacent off-street parking area for purposes of outdoor seating areas pursuant to the approved plans, subject to: 1) the petitioner submitting a revised site plan to the Planning Department with the sidewalk café projecting no more than 5 feet into the Third Street right-of-way; and 2) the petitioner files the appropriate application with the Planning Department and pays all required fees and bonds for the outdoor seating area and sidewalk cafe; and

BE IT FURTHER RESOLVED, that the Mayor and City Clerk are authorized to execute said agreement when prepared.

ADOPTED UNANIMOUSLY

* * * * *

BUDGET STRATEGY REPORT

The recommendations in the report are:

1. Continue plans to prepare a two year balanced budget for 2010-2012
2. Continue plans to prepare a complete prioritization of needs and services
3. Authorize the issuance of notice to the unions of proposed layoffs consistent with their Collective Bargaining Agreements
4. Approach the Bargaining Units for contract concessions
5. Consider an early retirement offer to employees within two years of retirement
6. Prepare a privatization study
7. Consider City Hall modifications to promote efficiencies and allow for staff reductions

Moved by Commissioner Andrzejak
Seconded by Commissioner Rasor

WHEREAS, the City of Royal Oak, like most Michigan communities, is facing dramatic declines in revenue, and

WHEREAS, the City of Royal Oak must decrease its expenditures to match available resources.

BE IT RESOLVED, the recommendations of the 2010-2012 budget strategy report are approved and the administration is specifically directed to issue the notice of proposed layoffs to the City's unions in accordance with their labor agreements.

ADOPTED UNANIMOUSLY

* * * * *

Upon Motion of Commissioner Capello, Seconded by Commissioner Drinkwine, and adopted unanimously, the Regular Meeting was adjourned at 9:32 P.M.

Melanie Halas, City Clerk

The foregoing Minutes of the Regular Meeting held on March 1, 2010, having been officially approved by the City Commission on Monday, March 15, 2010, are hereby signed this fifteenth day of March.

James B. Ellison, Mayor