

**MINUTES OF THE
REGULAR MEETING OF THE HIGHLAND PARK CITY COUNCIL**

APRIL 20, 2015

Council convened at 7:05 p.m. with Council President Christopher Woodard presiding.

**Present: Council Pro-Tem Lewis, Councilmember Moore, Councilmember Patrick,
Councilmember McClary and Council President Woodard (5).**

Absent: None (0).

A quorum being present, Council was declared in session.

APPROVAL OF AGENDA:

**Moved by Councilmember Moore
Supported by Council Pro Tem Lewis**

To approve the agenda with the addition of a resolution approving measures to avoid placement on the next tax roll or any subsequent tax roll of the city the July 2014 judgement against the city in favor of DWSD. Yeas (4), Nays (1) Councilmember McClary, Absent (0).

APPROVAL OF MINUTES:

**Moved by Council Pro Tem Lewis
Supported by Councilmember Moore**

To approve the minutes from the Workshop Meeting held April 6, 2015. Yeas (5), Nays (0), Absent (0).

**Moved by Councilmember Moore
Supported by Councilmember Patrick**

To approve the minutes from the Regular Meeting held April 6, 2015. Yeas (5), Nays (0), Absent (0).

PRESENTATION:

30TH DISTRICT COURT:

Judge Officer-Hill shared with the Councilmembers and audience a new Court Innovations.

Our court has been included in a pilot program that is funded by the University of Michigan that allows citizens to handle their traffic tickets on line. The court is very fortunate to have been included in this pilot program and the benefits to the citizens, police and court staff is immeasurable.

BID OPENINGS:

The Clerk stated this was the date, place and time to open proposals for architectural services for design and construction plans for upgrades and repairs of the front entrance of the City of Highland Park City Hall to comply with barrier free requirements.

NO PROPOSALS RECEIVED

The Clerk stated this was the date, place and time to open proposals for:

Advertisement #1- Sewer Repair Services- Two (2) bids were received.

Rickman Enterprise Group, LLC

15533 Woodrow Wilson

Detroit, Mi. 48238

Bid amount: Three (3) locations shown-\$58,500

Bowman Const.

36220 Harcourt

Clinton Township, Mi. 48031

Bid amount: \$80.00 per 1.0'

Moved by Councilmember McClary

Supported by Council Pro Tem Lewis

**To refer the proposals to the DPW Director for a report and recommendation.
Yeas (5), Nays (0), Absent (0).**

Advertisement#2-Inlet and Manhole Repair Services – Two (2) bids were received.

Rickman Enterprise Group, LLC

15533 Woodrow Wilson

Detroit, Mi. 48238

Bid amount: \$9,550

Bowman Const.
36220 Harcourt
Clinton Township, Mi. 48031 **Bid amount: \$1,300 per location**

Moved by Council Pro Tem Lewis
Supported by Councilmember Moore

To refer the proposals to the DPW Director for a report and recommendation. Yeas (5), Nays (0), Absent (0).

Advertisement #3- Hazardous Tree Removal Services-One (1) bid was received.

Bowman Const.
36220 Harcourt
Clinton Township, Mi. 48031 **Bid amount: 17 locations total-\$50,500**

Moved by Council Pro Tem Lewis
Supported by Councilmember Moore

To refer the proposals to the DPW Director for a report and recommendation. Yeas (5), Nays (0), Absent (0).

Advertisement#4- Concrete Sidewalk Replacement Services-Two (2) bids were received.

Rickman Enterprise Group, LLC
15533 Woodrow Wilson
Detroit, Mi. 48238 **Bid amount: Min. Cost per project \$2,000**

Bowman Const.
36200 Harcourt
Clinton Township, Mi. 48031 **Bid amount: unable to read amount**

Moved by Councilmember McClary
Supported by Council Pro Tem Lewis

To refer the proposals to the DPW Director for a report and recommendation. Yeas (4), Nays (1) Councilmember Patrick, Absent (0).

Advertisement#5-Roll-off Dumpster Rental and Dumping Services
NO PROPOSALS RECEIVED

CITY CLERK:

The following resolution was submitted for approval.

By now, you have heard that the Governor of Michigan has called for a Special Statewide election to be held Tuesday, May 5, 2015 the following statewide proposal will appear on the ballot.

Proposal 15-1

A proposal to amend the State Constitution to increase the sales/use tax from 6% to 7% to replace and supplement reduced revenue to the School Aid Fund and local units of government caused by the elimination of the sales/use tax on gasoline and diesel fuel for vehicles operating on public roads, and to give effect to laws that provide additional money for roads and other transportation purposes by increasing the gas tax and vehicle registration fees.

I respectfully request your approval of the rates of pay for all Elections Workers and the establishment of polling places for the Special Statewide election to be held on Tuesday, May 5, 2015. The state will reimburse each city for all election expenditures for conducting this election.

Moved by Councilmember Patrick
Supported by Council Pro Tem Lewis

BE IT RESOLVED, that all persons serving on the Election Board for the Special Election to be held on Tuesday, May 5, 2015 shall be paid on a fee basis; and the fee to be paid for Chairman shall be the sum of \$150.00 each and the fee to be paid for Inspector shall be the sum of \$125.00 each which includes the \$10.00 fee for attending the training session prior to the election.

BE IT RESOLVED, that the following places are hereby designated as the polling places within each of the Election Precincts of the City of Highland Park for the Special Election to be held on May 5, 2015.

PRECINCT	LOCATION	
1	God's House of Prayer Baptist Church	11843 Hamilton
4 & 15	Highland Park Recreation Center	10 Pitkin
7 & 8	Faith Tabernacle Church	16548 Hamilton
12 & 20	New Mt. Moriah Baptist Church	13100 Woodward
14	Bishop G.D. Moore Apts.	99 Manchester
18	Robert B. Blackwell Municipal Complex	12050 Woodward
23	Downes Manor	13725 John R.
25	Soul Harvest Ministries Church	16300 Woodward

THEREFORE, BE IT RESOLVED, the pay for all election workers and the establishment of polling places for the Special Election to be held Tuesday, May 5, 2015 be approved. Yeas (5), Nays (0), Absent (0).

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The Clerk presented a New Business License application for Inner City Property Management located at 13800 Woodward for approval.

**Moved by Councilmember Patrick
Supported by Council Pro Tem Lewis**

To approve the New Business License application for Inner City Property Management located at 13800 Woodward. Yeas (5), Nays (0), Absent (0).

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The Clerk presented a New Business License application for Cricket Wireless located at 15105 Woodward for approval.

**Moved by Councilmember McClary
Supported by Council Pro Tem Lewis**

To approve the New Business License application for Cricket Wireless located at 15105 Woodward. Yeas (4) Nays (1) Councilmember Moore, Absent (0).

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The Clerk presented a New Business License application for Uncommonly Good Hair Salon located at 13806 Woodward for approval.

**Moved by Councilmember McClary
Supported by Council Pro Tem Lewis**

To approve the New Business License application for Uncommonly Good Hair Salon located at 13806 Woodward. Yeas (5), Nays (0), Absent (0).

*

The Clerk presented a New Business License application for Your Style Inc. located at 14126 Woodward for approval.

**Moved by Councilmember McClary
Supported Council Pro Tem Lewis**

To approve the New Business License application for Your Style Inc. located at 14126 Woodward. Yeas (5), Nays (0), Absent (0).

LEGAL:

The following resolution was received for approval.

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND PARK, MICHIGAN APPROVING MEASURES TO AVOID PLACEMENT ON THE NEXT TAX ROLL OR ANY SUBSEQUENT TAX ROLL OF THE CITY THE JULY 2014 JUDGEMENT AGAINST THE CITY IN FAVOR OF DWSD FOR APPROXIMATELY \$20 MILLION AND DETERMINING RELATED MATTERS

WHEREAS, on July 31, 2014, the Wayne County Circuit Court, Case 14-0011974-CK issued a \$20 million judgement against the City of Highland Park (the "City"), a municipal corporation of the State of Michigan (the "State") and for DWSD, a department of the City of Detroit, comprised of \$18,197,620 for outstanding sewer and industrial waste charges, \$1,115,198 for wholesale water services, and prejudgment and post judgment interest.

WHEREAS, on April 24, 2015, DWSD will seek and order from the Court allowing the \$20 million judgment on the next tax roll of the City. (See, Exhibit A, Docket sheet on Case No. 14-001974-CK.)

WHEREAS, the City Administrator, Cathy Square, working with the financial Advice of Attorney and Financial Consultant Calvin Grigsby (see, e.g. April 3, memo to Ms. Square from Mr. Grigsby attached as Exhibit B) who had previously been hired by the City in this matter, are negotiating with DWSD and the State to have the \$20 million judgment set aside based upon surprise, inadvertence or excusable neglect for two substantive reasons:

1. Since 1950 the City of Detroit (Detroit) and the City have had an enforceable, written water standby services agreement requiring to supply water needs of the City for \$23,000 a year absent 30 days prior notice of any increase in this rate. Detroit sent notice two weeks ago cancelling the agreement but did not send prior notice of an increase required to collect on the amount in excess of \$23,000 a year constituting the \$1.115 million judgment.
2. Since a 1986 ruling by the U.S. Court of appeals for the 6th Circuit Court in City of Detroit v State of Michigan and County of Wayne, 803 F. 2d 111 (6th Cir. 1986), the City has had right to charge the State and the County for storm water runoff from freeways flowing into the city's combined sewer system. The City has been paying to DSWD the cost of storm water running into the City's sewer system on behalf of the State (and to a much lesser extent the County) since 1986. The City is therefore either due a refund or credit from DSWD who then

collects the amount due for storm water freeway and roadway runoff from the State or the State must pay or reimburse the City the accrued storm water bill from 1986 plus interest. The payment of these delinquent sewer usage fees by the State may then be used to negotiate a cash settlement at a substantial discount from Detroit thereby avoiding a judgment being placed on the tax roll.

WHEREAS, it is imperative that the City develop its legal, financial and negotiating strategy in the next two days in order to be prepared to make whatever filings are necessary to set aside or defer the entry of the \$20 million judgment which will be assessed on the tax rolls allowing lien sales of City property owners on April 24, 2015 per the docket.

WHEREAS, once the \$20 million judgment is assessed to individual property owners, it is no longer a debt of the City to be adjusted or reduced under provisions of the Local Financial Stability and Choice Act, Act 436, Michigan Public Acts of 2012 or by a municipal bankruptcy under Chapter 9 of the Federal Bankruptcy Law.

WHEREAS, the City Council recognizes that a judgment on the tax rolls of \$20 million assuming 4000 taxpayer properties split the bill, is \$5,000 per property owner an amount that is not affordable for this City.

IN CONSIDERATION OF THE FOREGOING, IT IS HEREBY RESOLVED:

- 1. The City Administrator is hereby authorized to continue her negotiations with DWSD and the State and her stewardship and to do everything in her power to secure a set aside and deferral of the \$20 million judgment scheduled for April 24, 2015.**
- 2. Calvin Grigsby's contract with the City is hereby reinstated at the rates and amounts previously agreed subject to a cap of \$25,000, without additional City Council approval. His employment by the City as a consultant on the negotiations with DWSD and the State reporting to the City Administrator is hereby ratified and confirmed.**
- 3. The City Administrator shall recommend such additional professional services as may be required to avoid a \$20 million judgment which may lawfully be placed on the City's tax rolls which would totally eviscerate the City's tax base and continued economic recovery.**
- 4. This Resolution shall be effective immediately.**

**Moved by Councilmember Patrick
Supported by Council Pro Tem Lewis**

**To approve the above resolution. Yeas (4), Nays (1) Councilmember McClary,
Absent (0).**

FINANCE:

Director Williams submitted the Proposed Budget for the Fiscal Year July 1, 2015 thru June 30 2016 to City Council.

COMMUNITY DEVELOPMENT:

The following resolution was submitted for approval.

RESOLUTION TO AUTHORIZE REALLOCATION OF 2014 CDBG FUNDS FROM DEMOLITION TO PARKS AND REC IMPROVEMENTS AND TO SEEK BIDS FOR ROOF REPAIRS TO THE ERNEST T. FORD REC CENTER

2014 FUNDS FOR DEMOLITION REALLOCATED TO PARKS AND REC IMPROVEMENTS

WHEREAS, the citizens participation regulations at 24 CFR 570.486(a) require that citizens be given a reasonable opportunity to be a part of CDBG activities;

WHEREAS, public comments were received on March 16, 2015 with respect to the reallocation of 2014 CDBG funds in the amount of \$100,000 from Demolition to Parks and Rec Improvements; and

WHEREAS, reallocated 2014 CDBG Demolition funds will be utilized to repair the roof at the Ernest T. Ford Rec Center; and

WHEREAS, the CED Staff will seek and publish invitation for competitive bids from qualified, licensed contractors for the Ernest T. Ford roof repair; and

WHEREAS, sealed bids will be opened May 18, 2015 at regular meeting of City Council;

WHEREAS, the CED Department after referral from City Council will evaluate the sealed bids received in terms of cost, qualification, and responsiveness;

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Highland Park that;

The City Council authorizes the reallocation of 2014 CDBG funds from Demolition to Parks and Rec Improvements and for CED Department to prepare bid specifications and to obtain competitive sealed bids for repairs to the Ernest T. Ford Rec Center roof.

**Moved by Council Pro Tem Lewis
Supported by Councilmember Moore**

**To approve the above resolution. Yeas (3), Nays (2) Councilmember Patrick,
Council President Woodard, Absent (0).**

The following resolution was submitted for approval.

**RESOLUTION TO AUTHORIZE A FILM PERMIT FOR THE FOOD NETWORK'S
"AMERICAN DINER REVIVAL" AT VICTOR'S RED HOT DINER AT 12 VICTOR**

**WHEREAS, the Food Network has chosen Victor's Red Hot's Diner for its fifth (5th)
episode, and;**

**WHEREAS, the setup and filming inside of the diner would take place Monday,
April 27, 2015 through Saturday May 2, 2015; and**

**WHEREAS, on May 2, 2015, the date of the "reveal" portions of Victor Street
would need to be closed for approximately 2 hours, and**

**WHEREAS, the Food Network will pay the City for the costs associated with the
closure and coordinate with City Public Safety Officials; and**

**NOW, THEREFORE BE IT RESOLVED by the City Council of the City of
Highland Park that;**

**The City Council issue a Film Permit to the Food Network to film "American Diner
Revival" at Victor's Red Hot's Diner, at 12 Victor St. for the period April 27 through May
2, 2015.**

**Moved by Councilmember Patrick
Supported by Councilmember McClary**

To approve the above resolution. Yeas (5), Nays (0), Absent (0).

POLICE DEPARTMENT:

The following request was submitted for approval.

**I am requesting time during the April 20th council meeting to discuss upgrading our
ticket system. The new program is a computerized system that generates tickets and
automatically submits them to the court. This system will eliminate paper tickets and their
associated purchase cost.**

In 2014 our 5 traffic officers combined issued an approximate total of 12,000 moving violations at a cost of \$24,000 for ticket books. This is in addition to the charge for parking violation ticket books. The price of a new system for all 5 vehicles is \$7,625.50 which will be charged to our forfeiture account. There is also a yearly maintenance fee of \$715.00 which will come out of forfeiture funds as well.

We are also proposing a \$5.00 administration fee for every ticket to be allotted for training and equipment costs.

Moved by Councilmember McClary
Supported by Councilmember Moore

To approve the police department's request to upgrade their ticket system. Yeas (5), Nays (0), Absent (0).

COUNCIL AFFAIRS:

RESOLUTION TO AUTHORIZE COUNCIL PRESIDENT AND CITY CLERK TO EXECUTE TRANSFER OF DEEDS AND RELATED DOCUMENTS IN CONNECTION WITH THE MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY'S ("MSHDA") FIVE MILLION DOLLAR (\$5,000,000) HARDEST HIT FUND ("HHF") ALLOCATION TO THE CITY OF HIGHLAND PARK

Council President Woodard requested to abstain.

Moved by Councilmember McClary
Supported by Council Pro Tem Lewis

To approve Council President Woodard request. Yeas (4), Nays (0), Absent (0).

Moved by Council Pro Tem Lewis
Supported by Councilmember Moore

WHEREAS, the City of Highland Park received a \$5,000,000 Grant Allocation from MSHDA in connection with Hardest Hit Funding to demolish vacant and dilapidated residential properties owned by the City of Highland Park; and

WHEREAS, the execution of the Blight Partner Participation Agreement authorizes the Michigan State Land Bank (MLB), the City's Blight Partner, to demolish vacant and dilapidated structures owned by the City of Highland Park in coordination with the City of Highland Park; and

WHEREAS, the City of Highland Park must transfer properties that are candidates for demolition to the Michigan Land Bank for demolition under the terms and conditions

of the Blight Partner Participation Agreement's financing provisions to implement the Grant Agreement (see attached); and

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Highland Park that;

Council President and City Clerk of Highland Park is authorized to execute Transfer of Deeds and related documents to the Michigan Land Bank in connection with the terms and condition of the Blight Partner Participation Agreement pursuant to the \$5,000,000 Hardest Hit Fund Grant Allocation. Yeas (3) Council Pro Tem Lewis, Councilmember Moore and Councilmember Patrick, Nays (1) Councilmember McClary, Absent (0), Abstain (1) Council President Woodard.

ADJOURNMENT:

**Moved by Council Pro Tem Lewis
Supported by Councilmember McClary**

Motion carried; meeting adjourned at 9:25 p.m.

CERTIFICATE

I, hereby certify that the attached is a copy of the proposed minutes of a Regular Meeting held on the 20th day of April 2015 and that said proposed minutes are available for public inspection at the address designated on the posted public notice.


Brenda J. Green, City Clerk