

CITY OF STERLING HEIGHTS  
MINUTES OF SPECIAL MEETING OF CITY COUNCIL  
TUESDAY, APRIL 12, 2016  
IN CITY HALL

Mayor Michael C. Taylor called the meeting to order at 6:30 p.m.

Mayor Taylor led the Pledge of Allegiance to the Flag and Mark Carufel, City Clerk, gave the Invocation.

Council Members present at roll call: Deanna Koski, Joseph V. Romano, Maria G. Schmidt, Nate Shannon, Doug Skrzyniarz, Michael C. Taylor, Barbara A. Ziarko.

Also Present: Mark D. Vanderpool, City Manager; Mark Carufel, City Clerk; Carol Sobosky, Recording Secretary.

APPROVAL OF AGENDA

Moved by Koski, seconded by Skrzyniarz, to approve the Agenda as presented.

Yes: All. The motion carried.

BUDGET WORKSHOP DISCUSSION

1. Presentation of Budget

Capital Project & Other City Funds

City Administration Department

Administrative Services Division

Finance and Budget Division

Fire Department

City Development Department

Mr. Vanderpool presented the Fiscal Year 2016/17 proposed budget to the City Council and informed that tonight is the first of three budget hearings. He explained that the discussion would start with a number of presentations from department heads and that will be followed with plenty of time for questions and comments. Mr. Vanderpool explained that the Appropriations Ordinance will have to be introduced at the end of the discussion, which will allow City Council to make amendments as they proceed with the hearings. He reminded that the City budget is available on the website. A video was shown at this time.

Mr. Brian Baker, Finance & Budget Director, used a PowerPoint presentation to provide an overview of the individual departments, noting the proposed total city budget of \$170,037,520, and its breakdown into five major fund types. Mr. Baker informed that the total budget decreased by 4.4%. He briefly reviewed the City's revenues, which comes from property taxes, state revenue sharing, charges for services, fines, licenses and permits, and he added that about 75% of the total funds spent are used to fund Police, Fire, Public Works and the Court. Mr. Baker reported that the City's tax rate is lower than other Macomb County cities and property tax revenues per resident are the lowest of similar-sized cities in Michigan. He noted that they also rank the lowest in debt and well below the debt levels of other local communities. He addressed the slight uptick in road funding compared to the last several years, noting that with the passing of the Safe Streets Initiative, they have seen an increase in repair of neighborhood streets as well over the last three years. The budget also includes facility repairs and park improvements, which Mr. Baker

outlined. He reviewed the department budgets being looked at tonight, which include City Administration, comprised of City Management, City Clerk and Information Technology, and Finance and Budget, which includes Assessing, Finance, Purchasing and Treasurer's. He discussed the budget for City Development, made up of five divisions. He concluded with the Fire Department, made up of 88 full time employees in three divisions, and reported that this is the second largest cost center in the general fund.

Ms. Denice Gerstenberg, City Development Director, provided a brief update on some of the City Development Department activities and projects, and also provided an introduction to some of those proposed projects in the upcoming fiscal year. The Building Department will be starting to offer permits online. They will also be providing a "one-stop shopping" building checklist available online for anyone interested in opening a new business. Engineering will be continuing with their Sidewalk Gap program, concentrating next year on 14 Mile between Hayes and Schoenherr, Canal Road east of Schoenherr, and repairing City Section 14, which is east of Dodge Park and north of 17 Mile Road. Construction of the new pedestrian bridge in Dodge Park is also slated to begin, and that bridge is an integral part of the Showcase Bike Trail, a 924-mile trail from Belle Isle in Detroit all the way up to Ironwood in the Upper Peninsula. Ms. Gerstenberg addressed some of the areas where utility work is already started and will continue through the next fiscal year. Engineering is also proposing a Water Reliability Study, which is an exhaustive analysis of the existing water system and future demands that will help prioritize

future projects. She reviewed some of the projects proposed for Facilities Maintenance, and proceeded with a description of the activities taking place through Neighborhood Services. Ms. Gerstenberg explained the Code Enforcement projects and activities, including the non-homestead single-family residential inspection program, which operates on a two-year cycle, and at the completion of the first two-year period of the program, 1,490 residences were inspected. She detailed the plan for continuation of the LDFA SmartZone branding and vitalization projects. They will be updating the City's signs with their new logo. She noted that the Planning Department is working to digitize all new applications, site plans and planning information into BS&A, which will make finding and accessing historical information easier. Numerous ordinance amendments are also being developed. She concluded by reporting that the Master Plan for Future Land Use, as well as the update of the Recreation Plan, will be completed this upcoming year.

Mr. Vanderpool noted that the City's contractor will be picking up litter throughout the community, and the spring median mowing will begin. At the next Council Meeting, there will be discussion about "Pride and Shine", encouraging neighborhoods to clean up, and dumpsters will be set up every Saturday in May at DPW to collect items that are not generally collected.

Mr. Nick Makie, Controller, provided an overview of some technology enhancements proposed for Payroll and Community Services, specifically related to employee self-service and the GoDoc enhancement for their financial reporting software, which will allow them to revamp and innovate processes related to open enrollment and payroll.

There are 449 full-time employees who must complete paperwork for open enrollment which occurs twice a year, and the proposed software would streamline this process, allowing employees to access benefits information and select benefits from any computer during open enrollment periods. The service provides real-time feedback during the enrollment period which helps to eliminate mistakes, and the payroll system will be updated automatically for new deduction amounts based on the employee elections. Mr. Makie indicated that the employee will be able to export elections to third-party vendors like Blue Cross, effectively eliminating the need for manual data entry. All elections will be memorialized in a financial reporting system so it will create an electronic record, or "paper trail". Mr. Makie stated these upgrades will give the City the ability to electronically deliver payroll documents such as direct deposit notifications and W-2 forms. The city is expected to deliver over 18,000 payroll checks and notices of deposit in this next fiscal year. He cited the example that if 70% of these are direct deposit, over 13,000 notices of deposit will not have to be printed/distributed but will be sent electronically. The city issued 914 W-2 forms this year that will also not have to be printed and mailed to employees. They will be able to offer decentralized time card entry, as well as electronic time-off requests and approval. He stressed this will result in greater accuracy, reduction of printing and mailing costs and increased staff productivity. He concluded his presentation with a short video reflecting positive reactions of employees with regard to the proposed implementation of these technology enhancements.

Fire Chief Chris Martin reminded residents to check their smoke detectors to assure they are in working order, and to change the batteries when changing the clocks for daylight savings time. Chief Martin began his presentation by stating the biggest issue they have dealt with this year has been their succession plan, having had 19 retirements of some of their highest-ranking employees, resulting in over 50 promotions. They instituted a mentor program to assure that these promotions resulted in qualified individuals to come in and work in the field, and this resulted in consistent training. They were able to fill every position created by retirement with a new hire, and he was very pleased with this succession plan. Chief Martin reviewed some of the other highlights this past year, noting their ISO rating went from a "4" up to a "2", which put them up with only two other fire departments in the state with that rating, and this has the potential to reduce insurance rates for homes and businesses. A feasibility study to look into possible ways to share services among four area fire departments. The study was nearing completion but there were a couple of areas for the company to study, and the leadership group was not completely satisfied that those areas have been properly considered. He expects the completion near the end of May, and well within the timeline for the grant. They have increased their capability and service delivery by upgrading the operation of Rescue 1 at Fire Station #1 from basic life support to advance life support (ALS). Chief Martin advised that an ordinance change now requires businesses to change to Knox Box from the previous system. They have had good response, but it will be an ongoing project. They have also implemented the residential lock box system program, which has had great

success thus far. He thanked businesses and residents who have donated boxes that can be loaned to residents who do not have the means to purchase one on their own. He informed that they have conducted several training classes and exercises with their firefighters and police officers to work on a unified response to active shooters and other terrorist activities. The parking lot at their headquarters has been completely redone. Chief Martin provided an update on their apparatus fleet, noting they will be purchasing some new equipment. They have a signed agreement with the Charter Township of Clinton that will allow each community to borrow apparatus from the other in the event of equipment failure, although they have not yet had to utilize this agreement. He updated the status of their efforts with the Assistance to Firefighter Grants (AFG). Their successes on this initiative, led by Assistant Chief Duke, have brought in more than \$1 million in the past five years. He reviewed the capital improvements for which they have been approved, including the replacement of a ladder truck, the replacement of the parking lot last year, and the proposed replacement of their roof this year. They have also been approved to purchase an additional LifePack 15 and a new generator for Fire Station #1, with the old generator to be repurposed to the court building. He indicated their last capital expenditure is an upgrade of their outdated mobile data computers. He outlined their initiatives, or performance objectives, including obtaining GPS locations of all fire hydrants and entering that data into CAD, training personnel on pediatric emergencies, and reviewing their tactics for addressing fires at their high-rise buildings, a few of which house elderly residents, many with mobility issues. He reported that approximately

19.4% of their incidents come from senior assisted living facilities, and while most of these incidents are medical-related, they have had an increase in false alarms, so they want to develop an education tool for the residents and employees of these facilities to ensure the proper use of their services and proper identification of the situation. Chief Martin explained that, with the anticipated increase in the recreational use of the Clinton River over the next few years, they will focus on training their firefighters to better handle water-related incidents, and are pursuing grants for this equipment. He concluded his presentation by informing that they want to focus on training and equipping the City to help those suffering from cardiac arrest because the importance of early quality CPR and defibrillation being delivered saves lives.

Mr. Vanderpool announced the conclusion of the presentations, and thanked Mr. Baker and his team for all of their hard work compiling this budget. He also thanked the department managers and directors for doing the same, and he complimented them on a great budget, reflecting their hard work.

Mayor Taylor asked if there was any public comment on the presentations.

Mr. Michael Lombardini thanked the City for keeping the debt low, and urged the City Council as they are reviewing the proposed budget to remain mindful of the 1,200 jobs that are being eliminated at the Fiat Chrysler Plant, noting this may result in some residents losing jobs and having difficulty paying their taxes. He added it may affect the taxable income from the plant itself.

Mr. Jeffrey Norgrove thanked the City Council for holding this budget hearing, and also thanked the employees who work so hard to prepare this “top-notch” budget. He

commented that it would be helpful, during a PowerPoint presentation, if they would refer to the corresponding page in the budget booklet. He is looking forward to the next budget hearing.

#### ORDINANCE INTRODUCTION

2. Moved by Romano, seconded by Taylor, **RESOLVED**, to introduce the Appropriations Ordinance for the 2016/17 fiscal year.

Councilman Romano referred to a comment from Chief Martin regarding more activity on the Clinton River resulting in the need to be able to provide more help in case of emergency. He inquired as to whether the City is responsible for providing watercraft or whether that is up to the Macomb County Sheriff's Division.

Chief Martin replied that they are looking to purchase items such as suits, life jackets, ropes and floatation devices but not an actual watercraft. He indicated the City has two fishing-style boats, one kept at Station #2 and one kept at Station #1.

Councilman Shannon inquired as to the funding that may be coming for Cancer Presumption, and how that will affect the Fire Department's budget.

Chief Martin replied that will not affect their budget, but would be more of a health care issue if those firefighters are stricken with cancer.

Mr. Baker responded that Cancer Presumption would replace worker's comp insurance in those cases, and since the City is self-funded, it would save a little. He cautioned that it would ultimately depend upon the details, pointing out it has not been funded prior to this so they will need to look closely at the regulations.

Councilman Shannon commented that he was impressed with the presentations, and felt the City is doing a lot with the lowest tax rate in the County. He was impressed to see how much they are doing to improve the City with the grants for which the employees are working very hard to obtain. He requested that Mr. Baker review the road spending once again.

Mr. Baker stated that there has been a dramatic increase in road spending for the local roads, but he pointed out in 2013 they had only \$2 million they could spend. The gas tax had been turned down, and with the increased cost of gas and the declining economy, people were driving less, generating less money for this fund. The Safe Streets Millage raised an additional \$3.3 million in 2013, and they are up to \$7.2 million now. He added that CDBG funds have been able to take care of some roads, but he credited the Safe Streets Millage for the majority of funding available, which will go until 2020. The State of Michigan has increased the gas tax, but the City will not see any of the money in the first year or two. It will eventually increase their funds over the next several years. Mr. Baker reviewed the State and County roads for which the City has no control over, including Schoenherr, Hayes, Van Dyke and Mound, and some of the mile roads. The City was able to sell bonds for improvements to 15 Mile and Dodge Park. Mr. Baker explained they are taking a systematic approach where the federal government can cover part of the cost, and they are always encouraging the County to make additional investments into the roads.

Councilman Shannon indicated that a lot of people are not familiar with the roads for which Sterling Heights is responsible, and which roads fall under the State or County jurisdiction.

Mr. Vanderpool suggested they could post a map on the website that would help with this confusion. He noted that all of the even-numbered mile roads (i.e., 14 Mile, 16 Mile, 18 Mile) are County Roads, and added they are fortunate the County has agreed to pay for a portion of 14 Mile as long as the City of Warren is also in agreement. He stated that Dequindre is in Oakland County, and Mound, Van Dyke, Schoenherr, Hayes and Utica Roads are County roads. Mr. Vanderpool admitted they do receive complaints from citizens about the roads but unfortunately, they do not have jurisdiction over many of them. He added they will be making improvements on Schoenherr, south of the Moravian Bridge, and he added that Mound Road is in bad shape but it is a County road. He admitted that the City can do a better job of explaining to the residents which of these roads is under the County's jurisdiction.

Councilman Shannon requested that Chief Martin explain to the residents what the firefighters have agreed to do in taking on the role of a first-responder.

Chief Martin explained that they have seen a rise in active shooter events across the country, and up to now, when a shooter is determined to still be in the location and active, the protocol of the firefighters has been to stay away and stage off-site. He pointed out that case studies have shown that victims who are shot and wounded do not get immediate care because firefighters and EMS are not allowed near the site. They have now come up with a protocol to train the firefighters to work actively with

the police officers, not in the line of gunfire, but in “hot zones”, where the firefighters would put on flak jackets and helmets and assist with the police to areas where people are wounded and remove them from the dangerous zones to a place of safety where they can be treated. He cited Lakeside Mall as an example, where there would be safer areas to evacuate the injured and get them to the hospital for treatment. He admitted it was not easy to get to this point because it involved changing protocols for both Police and Fire, but he commended everyone for their efforts in getting to this point.

Councilman Shannon commended Chief Martin and his entire team for their willingness to get involved with a situation like this, adding that he is very impressed. He questioned the proposed pediatric ALS training which would require overtime costs, and he inquired as to whether it has to be “all or nothing”.

Chief Martin replied there is a two-year certification program where paramedics receive specific training, especially addressing pediatric airways and starting IV’s for infants and children. Paramedics are required to have this training, so they began to hold these training sessions in 2-hour blocks; however, with Firefighters getting called off and constantly being interrupted, and having to repeat this every two years, it was suggested to train in the 8-hour block, with Firefighters being taken off shift and getting paid overtime. That option was not approved so they are back to the two-hour shifts, which is not ideal but is something they have to do.

Councilman Shannon thanked Ms. Gerstenberg and Chief Martin for allowing him to come in and talk with them, and he commended them both for being great directors.

Councilwoman Koski was impressed with Fire Department's fantastic agenda for the upcoming year. She inquired as to how much it would cost to reinstitute the Youth Firefighter Program, and whether any thought has been given to starting it up again.

Chief Martin replied the Youth Firefighter Program is not something they have had in their plans for a long time, and he was not sure of the cost, although he assured he will calculate the cost and get that information to Councilwoman Koski.

Councilwoman Koski thanked Chief Martin, commenting that she felt that was an important program to get young people involved. She addressed a question to Mr. Makie as to what type of information the employees would be inputting on the GoDoc program.

Mr. Makie replied the full-time employees are eligible to select their benefits, and he clarified they would not be entering data but would be making selections from a pre-populated list of choices that would be developed by Human Resources. They would also have access to some payroll information. He replied to further inquiry that it is secure and would require employees to have user names and passwords to log in.

Councilwoman Koski wanted to make sure it is a secure site, especially in light of the high rate of identity thefts. She inquired as to whether the Sidewalk Gap Program will include Clinton River Road, between Hayes and Schoenherr, commenting that there are a lot of properties along that stretch that do not have sidewalks, and that is an area that leads to the bike trail.

Ms. Gerstenberg replied they are continuing with the Sidewalk Gap Program this year and reviewed the three areas proposed to be included in the next year. She added they continue to work on this each year.

Councilwoman Koski stated she would like to present her request to have Clinton River Road, between Hayes and Schoenherr, included in the program for this upcoming fiscal year.

Councilwoman Ziarko recalled the City budgeted to have the electronic signs fixed, and hoped that will be taken care of soon. She requested a timeline of when these projects will begin. She added that she loves the idea of weekend Code Enforcement Officers, pointing out that so many violations occur on the weekends. She liked the idea of holding CPR classes, and inquired as to whether this would include new training as well as recertification. She also inquired as to whether the Fire Department will be able to see the location of the fire hydrants on the computers and whether it will be an overlay.

Chief Martin replied the CPR classes would be for new training as well as recertification. He addressed the question of identifying hydrant locations, noting they will see the location of the house on CAD, and will also be able to see the hydrant locations on the same screen.

Councilwoman Ziarko inquired as to the Consolidated Dispatch's impact on the City's ISO rating.

Chief Martin explained that Dispatch is 10% of the 100 points available for the ISO rating. Dispatch picked up 1.3 or 1.6 points of the 10 they could get, and that was

based on the redundancy in the phone lines and internet lines, in addition to the EMD system, known as PowerPhone, purchased for not only medical but fire-related calls.

Councilwoman Ziarko thanked everyone for their hard work, commenting that decisions are easier when there is no money because there are fewer decisions, but when there is money, they have to carefully consider how to spend it. She inquired as to whether there is any reason they could not post signs on the State and County roads, indicating “This road is maintained by the [State/County]”. She felt that may help residents understand that the City has no control over those roads.

Mr. Vanderpool admitted that thought has crossed his mind; however, just like the roads are under the jurisdiction of the State or County, they also own the right-of-way, so he suspected any such signs would be quickly removed. He felt the City can achieve the same objective by reaching out to the community via the website. He reminded that the County’s funds are also thin, but they are willing to partner with the City on an accelerated program. He assured they discuss projects with them on a regular basis, including Mound Road. He felt through continuing good discussion and relationships, they can relay their concerns and get the same result.

Councilwoman Schmidt questioned why the 14 Mile Road project between Mound and Ryan is dependent upon approval by the City of Warren.

Mr. Vanderpool explained that, for County road improvements, the local jurisdictions have a cost share, so in this case, they would have a cost share not only with Macomb County Department of Roads but also with the City of Warren. He could not imagine

that they would not participate, and assured he will contact the City of Warren and attempt to get a more direct response within the next couple of weeks.

Councilwoman Schmidt inquired as to whether the streets scheduled for road improvements could be listed on the website.

Mr. Vanderpool responded that the City's website has a "Cone Zone" link, which lists a schedule of road improvements for the next year, in addition to listing the specific roads, schedule and update on those projects.

Ms. Gerstenberg replayed the slide listing the streets scheduled for road work this year.

Councilwoman Schmidt agreed with her colleague that the electronic signs need to be repaired and operating. She stressed they do not need to be fancy with banners and graphics, but they should be functional. She liked the idea of the hydrant map for the Fire Department. She inquired as to whether there has been any increase in price for the Fire Study even though they have gone back to ask for additional information.

Chief Martin replied they contracted for the job to get done so there is no additional cost. They have paid for three-quarters of it up front, but there is no cost increase.

Councilwoman Schmidt thanked all of the departments for their hard work on this budget and further thanked the staff for looking into grant money whenever possible, acknowledging that it is very time-consuming, but worthwhile.

Mayor Taylor thanked all of the City Directors, employees and engineers who put this budget together. He felt it is very impressive to see how close they come each year to

meeting the budget, and he felt that reflects the hard work the employees put into its preparation.

Vote for the motion on the floor: Yes: All. The motion carried.

COMMUNICATIONS FROM CITIZENS

Mr. Charles Jefferson thanked the City Council and the staff for holding this budget hearing, and urged those at home to attend the next one in two weeks.

Mr. Jeffrey Norgrove commented about the Police Chief position.

REPORTS FROM CITY ADMINISTRATION AND CITY COUNCIL

Mr. Vanderpool indicated he had nothing further to report at this time.

The City Council members also indicated they had nothing further to report.

ADJOURN

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

Yes: All. The motion carried.

The meeting was adjourned at 8:14 p.m.

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MARK CARUFEL, City Clerk