

CITY OF STERLING HEIGHTS  
MINUTES OF REGULAR MEETING OF CITY COUNCIL  
TUESDAY, FEBRUARY 21, 2017  
IN CITY HALL

Mayor Michael C. Taylor called the meeting to order at 7:30 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, Maria G. Schmidt, Nate Shannon, Liz Sierawski, Doug Skrzyniarz, Michael C. Taylor, Barbara A. Ziarko.

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

APPROVAL OF AGENDA,

Moved by Koski, seconded by Ziarko, to approve the Agenda with the deletion of Item #1 at the request of the applicant, Setzer Properties WRN, LLC.

Yes: All. The motion carried.

REPORT FROM CITY MANAGER

Mr. Vanderpool reported that the City of Sterling Heights and its Ethnic Community Committee will hold its 2017 Cultural Exchange from 6 to 10 p.m. on Friday, March 3<sup>rd</sup>, 2017 at the Senior Center, and the public is encouraged to

attend. The Exchange will feature a wide array of ethnic music and dance, cuisine from city restaurateurs, as well as educational cultural displays from area groups and retailers. He announced that a sample of the nationalities represented will include Bulgarian, Chaldean, Filipino, German, Indian, Italian, Macedonian, Polish, Scottish, Slovakian, Turkish and more. He advised that there will be a free shuttle provided from Dodge Park to the Senior Center for those attending the event.

Mr. Vanderpool stated the 2017 Assessment notices will be mailed during the first week in March. He reported that assessment increases are represented by the following percentages: Residential at 5.8%, Commercial at 5.2% and Industrial at 8.2%. He explained the good news for property owners is that their home values are continuing to increase, but the taxable values are capped and only increasing by 0.9%. He stated that more information is available on the City's website or through a telephone call to the City offices.

Mr. Vanderpool reminded everyone of the tickets now available for the "Sterling Coffeehouse" concert by local recording artist Olivia Millerschinn, taking place at 3:00 p.m. on Sunday, February 26<sup>th</sup> at the Recreation Center in Dodge Park. He advised that tickets can be purchased in advance at the Recreation Center for \$15 for residents, and \$19 for non-residents. He encouraged the public to attend, and stated more information is available on the City's website.

#### PRESENTATION

##### Nice Neighbor

Mayor Taylor introduced Lt. Aaron Burgess to present the Nice Neighbor Award. Lt. Burgess stated the City has excellent recreational facilities, and he addressed the mountain bike trail in the Clinton River park system. In 2008, with the blessing of the City Council and the help of City Manager Mark Vanderpool, they started work on this trail, and the Clinton River Mountain Bike Association worked extremely hard to make it one of the best trails in the State of Michigan. He commended the volunteers who spend thousands of hours of labor each year to maintain it, and with the thousands of dollars it takes to maintain it, he acknowledged the Sterling Heights Rotary, one of its largest financial backers. He stated they have been involved since the beginning, and have always stepped up every time they have needed to replace bridges or do other work. He introduced Mr. Clark Andrews and Mr. Marty Brown, both representing the Sterling Heights Rotary. He introduced another big financier, American Cycle and Fitness, represented by Mr. Dan Horsley. Lt. Burgess explained how young people have been able to participate in volunteering and earning their Boy Scout and Eagle Scout badges, and he introduced two of the Eagle Scouts who worked on the projects, Mr. Alex Shirley and Mr. Hunter Haines. He also introduced Mr. Phil Blake and Mr. Mike Smith, both Clinton River Area Mountain Bike Association (CRAMBA) Trail Coordinators. He thanked these individuals for “doing the heavy lifting” to make these trails safe for the thousands who use and enjoy them, and added that, without these volunteers, the trail would not exist. Lt. Burgess presented them with the Nice Neighbor Award in recognition of their

efforts to assist the community and contributions in making Sterling Heights' overall quality of life second to none.

Mr. Clark Andrews thanked the Council and Lt. Burgess for this award on behalf of the Rotary Club. He stated he has been a member of the Sterling Heights Rotary Club for over forty years, and he credited their first Director, Mr. Ray Filipchuck, also DPW Director, for his dedication to parks in the community.

Mayor Taylor agreed that the Dodge Park and Clinton River trail system is a jewel in the City, and they will be able to do more great things with *ReCreating Recreation*.

Donation by IAK Petro, Inc.

Mayor Taylor introduced Mr. Kyle Langlois, Parks and Recreation Director, to make the next presentation.

Mr. Langlois recapped the progress of the *ReCreating Recreation Initiative*, and he recognized the first partners to come forward with a contribution, both long-time residents who are eager to support the revitalization efforts. He introduced Mr. Al Saleh, owner of IAK Petrol, Inc., which is a conglomerate of gas stations located within the City, one of those being the BP Gas Station at the corner of Utica and Dodge Park Roads. He introduced Mr. Rich Via, manager of that gas station, and stated both gentlemen grew up in the City of Sterling Heights as life-long friends, graduates of Stevenson High School. He stated IAK Petrol, Inc. has come forward with a generous donation of \$50,000 to help the City achieve their goals for the *ReCreating Recreation Initiative*. He thanked them for their support

and their desire to help the community that they live in and love, and he added the City is fortunate to have partners like them to share a vision and help the City further their mission.

Mr. Via stated it is a pleasure to be here, and they are glad to be able to present the City with this donation. He added it has been a lot of hard work and dedication to build their business up to where it is today, and they hope to be here for many years to come.

Mr. Saleh also thanked the City.

Mayor Taylor presented Mr. Saleh and Mr. Via with a plaque, thanking them for their generous contribution to help the City's Parks and Recreation system.

Moved by Ziarko, seconded by Schmidt, **RESOLVED**, to adopt the resolution acknowledging and accepting the generous donation by IAK Petrol, Inc. of \$50,000 to the City of Sterling Heights for the Recreating Recreation Initiative.

Yes: All. The motion carried.

**~ Resolution ~**

**Sterling Heights City Council**

**A resolution acknowledging and accepting the donation by IAK Petrol, Inc. of \$50,000 to *Recreating Recreation*.**

On November 8, 2016, Sterling Heights voters approved a dedicated parks and recreation millage to fund *Recreating Recreation*, a placemaking initiative that will deliver a diverse mix of recreational opportunities to city residents. Projects include a new community center, a permanent facility for the Dodge Park Farmers Market and refrigerated ice rink, outdoor spray ground, multi-use skate park, hike / bike trail from Delia Park to the Nature Preserve, a dog park, canoe/ kayak facilities, a mini turf soccer field and capital improvements to 26 neighborhood and 5 major parks.

IAK Petrol, Inc. owns and operates the BP gasoline station and convenience store at 40375 Utica Road. This location is strategically located in close

proximity to many of the new Recreating Recreation amenities. The owners and operators of IAK Petrol, Inc. are excited by the potential for Recreating Recreation to draw many residents and visitors to the area. On a personal level, owner Al Saleh and general manager Rich Via are lifelong friends who attended and graduated from Adlai Stevenson High School. Growing up in Sterling Heights, both men spent a lot of quality time enjoying Dodge Park. Mr. Saleh looks forward to the Recreating Recreation improvements that he hopes will provide wonderful memories for his four young children. Mr. Saleh and Mr. Via strongly believe that the Recreating Recreation amenities will be assets for the Sterling Heights community for years to come.

IAK Petrol, Inc. is donating \$50,000 to assist the City with the Recreating Recreation initiative. The Parks and Recreation Department is most appreciative of this generous donation and the positive impact it will have in the development of the new recreational amenities in the very near future.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Sterling Heights, Macomb County, Michigan acknowledges and accepts the generous donation by IAK Petrol, Inc. of \$50,000 to the Recreating Recreation initiative.

This resolution was unanimously adopted at the February 21, 2017 regular City Council Meeting by the Sterling Heights City Council. IN WITNESS WHEREOF, I have set my official signature, this 21<sup>st</sup> day of February, 2017.

#### PUBLIC HEARING

1. Mayor Taylor noted that consideration of the application by Setzer Properties WRN, LLC for a Planned Unit Development on 51.6 acres situated on the east side of Mound Road, north of 14 Mile Road, PPCM-1166, has been deleted from tonight's agenda.

#### ORDINANCE ADOPTION

2. Mayor Taylor stated this is to consider adoption of a map amendment to Zoning Ordinance No. 278 to conditionally rezone property on the south side of M-59 (Hall Road), east of Delco Drive, in Section 2 from C-2 (Planning Comparison

Business District) to C-3 (General business District); Case No. PZ16-1146, and he introduced Mr. Chris McLeod, City Planner, to give a presentation.

Mr. McLeod stated this is the consideration of adoption of the proposed Conditional Rezoning agreement which would allow a CarMax car sales lot on property south of M-59, east of Delco. He stated this property was introduced to the Council for conditional rezoning at their January 3<sup>rd</sup> Regular meeting, where several concerns were raised. It was on the February 7<sup>th</sup> Regular meeting, but was postponed due to some changes in the Conditional Rezoning agreement that were still being addressed. He indicated some of the concerns involved overall sound and operation, as well as the operating hours of the facility, timing of truck deliveries and the anticipated development phases and their locations on the property. Mr. McLeod made a brief review of the site plan, showing artist renderings, proposed facades and the layout of the site. He stated the retail building in front is proposed to be approximately 10,500 square feet, along with a 270-car lot facility, and the back portion of the site is a proposed 40,000 square foot reconditioning building, which would be Phase II and would be developed if and when market demands. CarMax requires the reconditioning building to be used not only for this site, but also for reconditioning and certification of their vehicles for other sites in southeast Michigan.

Mr. McLeod reported that nearly every item of concern has been addressed, and the last remaining item is the operation hours of the reconditioning site, which is Phase II, to be located on the back portion of the site. The current proposal,

which was provided late last week and as an update to the agenda statement, specified that retail sales would occur 8:30 a.m. to 9:00 p.m. Mondays through Saturdays, and noon to 6:00 p.m. on Sundays. Service activities would be from 7:00 a.m. to 9:00 p.m. Mondays through Saturdays. The operation in the back facility would be from 5:30 a.m. to midnight six days a week, and closed on Sundays. He stated the City Administration has concerns regarding the long and intense hours of that operation when abutting residentially-zoned property. He explained that the City cannot impose the conditions but they must be offered by the petitioner, and he added the City has some concern about noise and precedent being set. The reconditioning facility is something new to the City, and there is no comparable business in the City with these long hours of operation. He indicated typically the hours of operation for this type of facility would be limited to 7, 8 or 9 p.m. The plan, as proposed, is to operate until midnight and start at 5:30 a.m. He stated that a sound study has been provided by the applicant, and he briefly presented the results. He showed where the trucks would be entering the site, as well as the location of the vacuums and other outdoor appliances. He stated there will be a wall and three rows of landscaping along the residential boundary, which will further deaden the noise.

Mr. Phil Ruggeri, representative, introduced Mr. Steve Hudak, Real Estate Manager for CarMax; Mr. Tim Ponton, engineer/architect with Stonefield Engineering; and Mr. Tom Guastello, property owner. He emphasized that the reconditioning portion of this development was included in the

plans from the beginning. He stated CarMax is a national Fortune 200 company, with 172 units nationwide. He indicated this is not a new use for the City. He assured they have made every effort to address the issues related to the noise concerns, which he claimed was a “non-issue” to this point. They have provided a 50-foot buffer and a 6-foot wall to the east, and his clients have spent nearly \$300,000 on extra costs for the improvements they have made to date. He stated they have gone above their budget by \$500,000 to cover extensive changes on the building design, landscaping and other improvements required by the City. Mr. Ruggeri stressed the reconditioning phase of this development is very significant because they must process a certain number of cars to make this economical. He explained that they have tried to negotiate the hours of operation for the reconditioning facility, and although they typically like to have a 24-hour operation, they have cut it down to the bare minimum of two shifts for a total of 18-1/2 hours a day, six days a week. He added this aspect is non-negotiable for his clients. Mr. Ruggeri showed the site plan and the houses on Oleander in relation to the proposed development, pointing out that the lots on Oleander are approximately 200 feet in depth. He reminded that Phase II, which includes the addition of the reconditioning building, may not go in for three to four years, but if and when it goes in, it will still be 284 feet from the building to the property line, and another 100 feet from the property

line to the rear of the neighboring homes, totaling a distance of 384 feet away. He pointed out that the residents to the south are 560 feet away, which is nearly the distance of two football fields. He reviewed the findings of the sound studies, and was confident there will not be a noise issue. He commented that this is an ideal use for this property because it is in a commercial zone and fits in with the Land Use Master Plan. He pointed out that only three residents attended the first Planning Commission meeting where this proposal was discussed, and at the second Planning Commission meeting, there was no one in attendance from this neighborhood. The Planning Commission voted 9-0 in favor of the plan, and he added the City Council voted 7-0 to approve the introduction to this proposal. He read a letter he received from one of the neighbors on Oleander, stating she has no objection to the development and the proposed hours of operation. He emphasized that Mr. Guastello has been trying unsuccessfully to sell this property for years, and CarMax is a good fit for this location. He pointed out the money that will be generated from the taxes, as well as the jobs created by the 150 employees they intend to hire. He emphasized that he does not want to see CarMax give up on this location and opt for a location in Troy or Macomb Township. Mr. Ruggeri reminded that the Greater Detroit area is known for being the top area in the world for the automotive industry, and CarMax is in that industry. He is surprised they are new to Michigan, having just opened a facility in

Grand Rapids, and they now want to locate in this community. They had other options but selected Sterling Heights over those other locations, and he emphasized he does not want to lose a Fortune 200 company over what he summarized as “a few additional hours of operation for a hypothetical situation for a non-existent noise problem”. He stated they are a big company and they can find another location. He cited a similar situation with Kroger in Shelby Township, where they were denied, subsequently built sixty feet across the road in another community, and ended up being approved ten years later to develop a megastore on the original site. Mr. Ruggeri felt the City will be missing an opportunity for development if they deny this proposal.

Mayor Taylor opened the floor for public comments.

Mr. Jerry Sieja – requested breakdown of acreage for Phase I and Phase II; inquired as to what happens if Phase II is never built, and whether that portion of land will be landlocked; inquired as to type of material to be used for the wall and who will maintain the wall; expressed his support of the proposal since the residents most directly affected do not seem to be in opposition.

Mr. Charles Jefferson – liked the idea of more jobs, and questioned whether they can require them to hire 50% or more from within the boundaries of Sterling Heights.

Unidentified speaker inquired as to what is done at the reconditioning facility.

Dr. Steve Naumovski – commended Planning and Zoning Department for all their hard work; concerned about health issue of sleep deprivation of the neighbors if noise is an issue; questioned whether sound studies are requested for all proposed developments.

Moved by Ziarko, seconded by Schmidt, **RESOLVED**, to deny the map amendment to Zoning Ordinance No. 278 to conditionally rezone property on the south side of M-59 (Hall Road), east of Delco Road in Section 2, from C-2 (Planned Comparison Business District) to C-3 (General Business District), Case No. PZ16-1146.

Mayor Pro-Tem Ziarko clarified she made the motion so they can have discussion. She emphasized that they want to welcome CarMax into the community, but stated Sterling Heights is a sound-sensitive community and before they approve two things that may not happen, she wants to make sure everything is in place. While she understood the distance between the proposed building and the abutting residential homes is considerable, she stated she would like to physically walk the property to get a better feeling. She stated that she would also like to visit another CarMax location so she can hear the noise generated from the reconditioning building and the car haulers picking up and dropping off cars. She explained that since this is a request for a Contract Rezoning, the Council cannot specify the conditions they would like, but by

having discussion this evening, the petitioner can listen to the comments and possibly come back with those offers.

Councilwoman Schmidt stated she would not be opposed to accompanying Mayor Pro-Tem Ziarko and visit another CarMax site. She inquired as to whether there is a reconditioning facility at the Grand Rapids location.

Mr. Steve Hudak replied that Grand Rapids is a new location, and although they have a production facility attached to it, it is not yet operational. He replied the closest fully-operational center is in Cleveland, Ohio.

Councilwoman Schmidt expressed concern over the hours of operation and the noise that may affect the neighbors. She stated that there is something in her neighborhood that affects the residents even though they were assured it would not affect them. She added she is not comfortable voting on a hypothetical development, and indicated getting more information and possibly fewer hours would help. She stated Mr. Guastello is “second-to-none” as a business owner in the community, and she wanted to be able to welcome CarMax, so that is not in question, but she added the Council also has a responsibility to the abutting residents.

Councilwoman Koski questioned as to whether a compromise is possible to maintain their required 18-1/2 hour operating time each day in the reconditioning facility, but to limit the work to be done from 5 a.m. to 7 a.m. and from 10 p.m. to

midnight to light work that would not require the bay doors to be open and would not require operation of loud power equipment.

Mr. Ruggeri maintained noise is not a factor as indicated by the sound studies.

Mr. Hudak stated there is a misconception about the way their operation works, and he indicated that if all 125 steps they do to each car were done simultaneously in each bay, there may be a valid point about noise; however, he explained there are stations and each car is moved through those stations so not all work is being done at all stations. For this reason, he stated they would lose the hours of operation if they cannot open the doors to bring in cars and move them out. He reviewed the sound study diagram and assured they were conservatively high in their calculations because they tested the sounds from the doorway even though the actual sound would be generated from inside the building. He stated the focus should be on the exterior vacuums because they closer to the residents, and he explained that last week they offered to move the building further from the residents, and are still willing to do so if sound is an issue.

Mr. Ruggeri explained they originally had two car washes, one by the service area and one by the reconditioning area. They removed the car wash that would have been closest to the residential area.

Councilwoman Koski inquired as to whether Mr. Ruggeri discussed with Mr. McLeod the offer to move the building.

Mr. Ruggeri replied he discussed it with Mr. McLeod, Mr. Kaszubski, Mr. Clark and Mr. Bahorski, but he claimed they assured him at that time that sound is not an issue.

Councilwoman Koski stated the issue is the operation so early in the morning and so late at night. She inquired as to whether there is any way to conduct their operation so it is acceptable to City administration.

Mr. Hudak replied they cannot operate their business without being open for the hours requested. As far as activity levels, he offered to restrict deliveries to their retail sales hours.

Mr. McLeod addressed the applicant's offer to restrict delivery times, and stated it is a good gesture and something he hoped the applicant would provide as a condition. In looking at some of the other CarMax locations in Michigan and in other states, that was part of their standard operation that the deliveries must be made when there is a business operator present, so he had assumed that was going to occur. He clarified that the site operation is a combination of several factors to consider, including activities, intensity, hours of operation and noise, and it is a culmination of all those items. He stated the City does not have a development like this, and the car dealerships in the City all back up to heavy industrial property. The stand-alone auto service businesses do not operate for these extended hours. He explained that the sound studies show that noise should not be an issue, but he pointed out that perception and toleration of noise is much different in mid-afternoon compared to midnight. Mr. McLeod stated that if the

Council members wish to look at the current site and visit another CarMax location, that can be arranged. He was confident there is a solution they can reach and work out in a contract.

Mr. Ruggeri assured they are willing to restrict the deliveries to certain hours and move that delivery area to the other side of the building, placing it another 200 feet further away.

Mr. Hudak explained communities in some of the other states have established thresholds for operating hours so there is a policing mechanism to assure compliance.

Councilman Shannon stated this will fit very well into the M-59 corridor so he would like to be as open as possible to see if this can be worked out. He asked for clarification as to whether the petitioner has offered to move the building further from the residential property to the east.

Mr. McLeod explained they are referring to a small portion of the building containing the vacuums that would be moved to the west, but the main portion of the building would stay in the current location. He added if noise was the only concern, this offer would mitigate that. He replied to further inquiry that every approved Special Land Use and Conditional Rezoning begin to set precedence. He stated that the City does not have any similar business that comes close to the proposed hours of operation, but he added that CarMax has been very amenable to working with the City as far as landscaping and lighting. The City must make sure that precedence is not established for future developments to come in and

expect the same consideration. He understood the efforts they have made to block the sound, but they are adjacent to residential areas and are requesting much longer hours of operation.

Councilman Shannon inquired as to whether the petitioner would be agreeable to postponing this for two weeks.

Mr. Hudak stated he would like to leave tonight with a contract approval, but he understood if some of the Council members would like to walk the site or look further into the sound study.

Councilman Shannon inquired as to whether the seven residents on Oleander who abut this property were notified of tonight's meeting.

Mr. McLeod replied they were not re-contacted because this matter was postponed to a date specific.

Councilman Skrzyaniarz stated the Council trusts and honors what the City employees and management do, and almost always agree with them, but after reading the specifics of the back-up information, he tends to not agree with their recommendation on this issue. He pointed out CarMax has a lot of financial resources, flexibility and can go anywhere. It is a large development that will bring in a significant tax base as well as jobs, which will benefit the City and the residents. He understood the concern about precedence being set, but he pointed out it is a unique project and it should be looked at in a competitive way. He stated he has received no communication from residents on this, and the residents who would be most directly affected are not here. He was concerned that if this is

denied, it may take decades to replace it with another development. He stated the concerns his colleagues expressed tonight are not unreasonable, but he is comfortable tonight voting against the motion to deny, and voting in favor of a motion to adopt the Conditional Rezoning if that is what the majority of the Council wants to do. He stated it is a positive development for the residents of the community.

Councilwoman Sierawski agreed with Councilman Skrzyniarz, and stated she is ready to make a motion to adopt this Conditional Rezoning.

Mayor Taylor stated he has done a lot of research on this, looking at the various CarMax locations around the country and the communities in which they are located. He stated he is sensitive to the residential properties abutting this site, so he looked up about thirty CarMax locations around the country, and he inquired as to whether the location in West Carrollton, Ohio is similar to what is being proposed.

Mr. Hudak replied that is their Dayton location, but there are only retail services provided at that location, and no reconditioning.

Mayor Taylor researched another location in North Carolina, and stated that these facilities are not getting complaints from residential properties nearby.

Mr. Hudak replied to inquiry that about 50% of their CarMax locations have the reconditioning centers. It takes time for a market to develop, so some of the locations may not have the reconditioning centers.

Mayor Taylor pointed out that CarMax has done extensive sound studies, showing it will not be disruptive to the neighbors. Deliveries will only be made during business hours, so if the operation is not disruptive to the neighbors, then Council is not setting a precedent by approving this.

Mr. Hudak replied to inquiry that the site is approximately 16 acres.

Mayor Taylor stated there is a 200-foot greenbelt on all three sides of the proposed Phase II building, there is a 50-foot tree wall surrounding the residential properties to the south and east, a 6-foot wall and no night deliveries, so it is a precedent with which he is comfortable. He was confident that it will not be disruptive to the neighbors, and the neighbors have had several opportunities to attend and voice their objections if they were concerned. He stated he is comfortable voting in favor of this tonight, but it could be postponed to provide for a site visit. He questioned what hours will be specified in the contract if the Council adopts this tonight.

Mr. McLeod replied the Conditional Rezoning agreement in the agenda packet specified from 5 a.m. to midnight; however, since the packet went out late Friday, the proposal has been revised to reflect hours from 5:30 a.m. to midnight, and that is one change they would have to make to the contract. He added that restricting deliveries to hours of operation of the retail portion of the site would have to be added, as well as the elimination of Sunday hours.

Mayor Taylor stated that if these changes are made, he anticipated this will be acceptable to Council. He indicated there is a motion to deny on the floor, but he

recommended a motion to postpone to the March 21<sup>st</sup> meeting. He noted that will give the petitioner time to make those changes.

Mr. Ruggeri inquired as to whether this could be approved tonight with the agreement that these changes will be made as part of the record tonight.

Mr. Kaszubski replied that the City's procedure has always been to have a signed agreement as amended before a motion is made by Council to approve so the appropriate action tonight would be to postpone.

Mr. Guastello stated there are no other options for this property, and he pointed out a lot of the "big box" stores already in the area. He commented that this is a good use for this property, and he would like to see an approval tonight subject to the participants entering the agreement making the changes before the next meeting. At that time, if the Council wished to reconsider, they could do so. He emphasized that the next two weeks are important to keep the project moving forward.

Mayor Taylor questioned whether it would be appropriate and legal if Council makes a motion to approve the use conditioned upon receiving a written, amended signed Conditional Rezoning contract pursuant to the representations made by the applicant and representatives tonight.

Mr. Kaszubski replied it would be acceptable if it was subject to City Attorney and City Manager review.

Mayor Pro-Tem Ziarko withdrew her motion to deny from the floor.

Councilwoman Schmidt withdrew her support of that motion.

Moved by Ziarko, seconded by Schmidt, **RESOLVED**, to postpone this agenda item until March 21, 2017.

Mayor Taylor indicated the meeting has been changed from Tuesday, March 21, 2017 to Monday, March 20, 2017, and the motion will need to reflect that date.

Moved by Ziarko, seconded by Schmidt, **RESOLVED**, to postpone this agenda item until March 20, 2017.

Councilman Skrzyniarz requested a point of clarification that if a council member wished to adopt this tonight, they would have to vote no on the motion on the floor.

Mayor Taylor replied if the motion to postpone is adopted, they will move on to the next agenda item.

Yes: Ziarko, Schmidt.

No: Koski, Shannon, Sierawski, Skrzyniarz, Taylor. Motion failed for lack of votes.

Moved by Skrzyniarz, seconded by Taylor, **RESOLVED**, to adopt a map amendment to Zoning Ordinance No. 278 to conditionally rezone property on the south side of M-59 (Hall Road), east of Delco Road in Section 2, from C-2 (Planned Comparison Business District) to C-3 (General Business District), Case No. PZ16-1146, subject to the terms and conditions of the Conditional Rezoning Agreement that the Mayor and City Clerk are hereby authorized to sign on behalf of the City.

Moved by Skrzyniarz, seconded by Taylor, **RESOLVED**, to amend the motion on the floor to include the representations made this evening and have the representatives from CarMax provide those representations in a written amendment that has been submitted to the Administration, and that the Council will adopt, subject to the City Attorney and City Administration's approval.

Mayor Pro-Tem Ziarko requested Mayor Taylor list what is being amended. She stated she wants to make sure it is contingent upon concurrence of the City Attorney, the City Manager and the City Planner.

Mayor Taylor outlined the amended items: 1) 18-1/2 hours of operation from 5:30 a.m. to midnight for the vehicle reconditioning operations (Phase II); 2) Relocation of the building as described during the presentation this evening; 3) All deliveries of vehicles will be restricted to within the normal business hours of the retail service operation; and 4) No Sunday hours for the vehicle reconditioning operations (Phase II).

Councilwoman Schmidt inquired as to what happens when delivery trucks arrive in the middle of the night, and whether they will be allowed to park and remain idling all night on location.

Mr. Hudak assured that will not occur because CarMax has tight control over the 26 vendors who will be making those deliveries. He was confident they can control those delivery times.

Mayor Pro-Tem Ziarko inquired as to whether there were any other items that should be included in the amendment.

Mr. McLeod replied he believes the items have all been addressed in the amendment.

Yes: Skrzyniarz, Taylor, Ziarko, Koski, Schmidt, Shannon, Sierawski.

The motion carried.

3. CONSENT AGENDA

Mr. Jerry Sieja – questioned Items “H” and “T”, their locations and intended use.

Mr. Charles Jefferson – questioned Item “E”, when construction will start; questioned whether there is a \$1 million cap on Consent Agenda items.

Unnamed citizen – questioned Item “D”, concerned with so much money being spent on playground equipment.

Mr. Bob Moffa – questioned Item “D”, whether it comes with warranty and will hold up; questioned its construction material; questioned Item “I”, noting property was purchased recently for \$250,000 and why it has risen to \$325,000 in a short time.

Mr. Vanderpool addressed citizens’ questions on the Consent Agenda items, noting that regarding Item “H”, the property was acquired through tax foreclosure. It is adjacent to a retail center, so selling the parcel to the owner of that retail center will help him expand. He stated the City has no use for that property and is more than recovering its cost. With respect to Item “I”, it is the Party Shop located directly across the street at Utica and Dodge Park Roads. The property sold in 2009 for \$450,000, and although he confirmed it recently sold for

\$250,000, the City believes they are getting fair market value based on appraisals. The purchase will be funded through General Fund Reserves and *Re*Creating Recreation allocations. He explained that Item “E” is the M-59 project which will start in early March. Mr. Vanderpool also confirmed there is no cap on the dollar amounts for Consent Agenda items because all the items on the Consent Agenda contain the exact same background information that residents can get on any agenda item, available through their electronic packet.

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

- A. To approve the minutes of the Regular Meeting of February 7, 2017, as presented.
- B. To approve payment of the bills as presented: General Fund – 941,365.21, Water & Sewer Fund - \$2,893,653.44, Other Funds - \$1,368,159.09, Total Checks - \$5,203,177.74.
- C. **RESOLVED**, to award the bid for the purchase of two self-contained breathing apparatus (SCBA) air compressors, purification system, refill stations, air storage cylinders, and delivery and installation services to R & R Fire Truck Repair, Inc., 781 Doheny Drive, Northville, MI 48167, in the cumulative amount of \$110,000.
- D. **RESOLVED**, to:

(A) Purchase playground structures, site work services, and safety surfacing from the vendors and at the cumulative pricing specified below:

- (1) Six (6) playground structures, site work services, and safety surfacing, from Playpower Inc., through wholly-owned subsidiary and exclusive supplier, Midwest Recreation Equipment Company / Miracle Midwest, P.O.Box 130, Holly MI 48442, at pricing available through the National Joint Powers Alliance (NJPA) cooperative RFP, contract #022113-LTS, in the amount of \$445,449;
- (2) Three (3) playground structures, site work services, and safety surfacing, from Playworld Midstates, 2127 112<sup>th</sup> Avenue, Holland, MI 49424, at pricing available through the National Purchasing Partners (NPP) LLP cooperative RFP, contract #570, in the amount of \$209,000;
- (3) Five (5) playground structures from Landscape Structures, Inc., SDS 12-0395, P.O.Box 86, Minneapolis, MN 55486-0395, at pricing available through Houston-Galveston Area Council (H-GAC) cooperative bid, contract #PR11-16, in the amount of \$234,634.96 and site work services, and safety surfacing from Penchura, LLC, 889 S. Old US 23, Brighton, MI 48114 at unit pricing available through

Houston-Galveston Area Council (H-GAC) cooperative  
bid, contract #PR11-16, in the amount of \$125,287;

- (B) Authorize a \$1,014,370.96 budget amendment from General Fund reserves; and,
  - (C) Authorize the City Manager to sign all required documentation on behalf of the City.
- E. **RESOLVED**, to approve the contract, #16-5415, between the Michigan Department of Transportation and the City of Sterling Heights for the road reconstruction of Highway M-59 (Hall Road) from Highway M-53 to Hayes Road and authorize the Mayor and City Clerk to sign the contract on behalf of the City.
- F. **RESOLVED**, to adopt the resolution, as amended, approving the application by DM Tool & Fab Inc. for an Industrial Facilities Exemption Certificate at 6115 18-1/2 Mile Road for a period of ten years in accordance with the guidelines established by City Council.
- G. **RESOLVED**, to direct the City Attorney to prepare the necessary agreement to partially vacate a portion of the existing water main easement for the proposed PEDL Facility, Section 33, PSP16-0033, EG16-0037, 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 proposed PEDL Facility, Section 33, PSP16-0033, EG16-0037, 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.

H. **RESOLVED**, to approve the Offer to Purchase Real Estate between the city of Sterling Heights and Pashko Ujkic for real property commonly known as 11355 15 Mile Road, and authorize the City Manager or his designee to sign, as applicable, all documents record in conjunction with this approval.

I. **RESOLVED**, to approve the Real Estate Purchase Agreement for real property commonly known as 40275 Utica Road, and authorize the City Manager or his designee to sign, as applicable, all documents required in conjunction with the approval and authorize a budget amendment to use General Fund reserves for the purchase.

Yes: All. The motion carried.

CONSIDERATION

4. Mayor Taylor stated this is to consider approval of a consent order in the case, *United States of America v City of Sterling Heights*, U.S. District Court Case #16-14366 and consent judgment in the case, *American Islamic Community Center, Inc. v Sterling Heights*, U.S. District Court Case #2:16-cv-12920-GAD-EAS. He stated the Council chamber is full and there are also people seated in the vestibule, so he explained how public comments will be taken in an orderly fashion. He stated that council rules allow for the speaker time limit to be reduced, and since it is already late, and judging by the size of the crowd, along with the fact that there are still other agenda items, he recommended speaker time limit on this item be limited to two minutes unless there are objections from other Council members, of which there were none.

Mayor Taylor introduced Ms. Anne McClorey McLaughlin, of Johnson, Rosati, Schultz & Joppich P.C., the insurance defense council representing the City in this case.

Ms. Ann McClorey McLaughlin stated she is here tonight to present for the Council's consideration an approval of a resolution of two lawsuits that arose out of the Planning Commission's denial of application by the American Islamic Community Center (AICC) for Special Approval Land Use to construct a mosque on its property, which occurred in September 2015. She provided a background of what has occurred since that date, noting that the U.S. Department of Justice began an investigation to

determine whether the City violated the Religious Land Use and Institutionalized Persons Act of 2000 (RLUIPA). In addition, the AICC filed a civil lawsuit against the City in Federal Court in August 2016, claiming a violation of RLUIPA as well as AICC's rights under the Michigan Constitution, and that was followed by the filing of a lawsuit from the Department of Justice in December 2016. She explained how RLUIPA is the Congress's recognition of the special role that religious freedom has played in this country. It provides specific protection for the use of land for religious exercise and it applies to all people and all religious organizations. She added it imposes a very high standard on local governments if they substantially burden a religious person's or group's exercise of their religion through the land use process. Ms. McLaughlin clarified that AICC has the right to use its land to build a mosque. It provides for a cause of action to be filed and relief to be conferred by the court, and gives the U.S. Department of Justice the authority and power to enforce the law.

Ms. McLaughlin stated she and her partners have investigated this matter on behalf of the City and have defended the City, even before these lawsuits were filed. She stated they believe the City has valid legal defenses to many of the claims brought in this lawsuit, but they recognize the special rules that apply when dealing with religious exercise. If the City were to prevail in some or all the claims in these lawsuits, she

cautioned it would come at a great financial cost to the City and would require devoting a great deal of time, energy and resources of the City officials, administration and staff, and the end result is most likely that the AICC would be able to build a mosque on its property. She explained that her office, along with representatives from the City, including expert consultants, have engaged in negotiations with AICC, their principals and attorneys, and with the attorneys from the Department of Justice in Washington D.C. and the U.S. Attorney's Office in Detroit to bring the matters to a close quickly and as inexpensively as possible to all parties concerned. She dispelled any rumors or thoughts that the City is rushing into a resolution or that any of these proposals have been done in haste. She emphasized that these efforts were done over several months and involved very detailed and difficult negotiations. She added there was compromise by all parties, and no one got everything they wanted.

Ms. McLaughlin outlined the details, assuming the Council approves the settlements tonight, including a Consent Judgment with the AICC that grants Special Approval Land Use to develop the mosque. It would comprise 20,500 square feet with a worship space of 3,204 square feet as originally proposed. The other terms and conditions address the principle concerns previously expressed by the Planning Commission, including the height of the special features of the mosque, which have been reduced to a level below either of the proposals presented to the Planning Commission.

Off-street parking was a concern and has been addressed and solved. AICC will provide on-site parking as well as contingency plans for overflow parking for special events. It will monitor the site to assure that on-street parking does not occur. There will be shuttle service provided to reduce the flow of traffic in the area for events where on-site parking is inadequate. There will be no outdoor sound projection or Call to Prayer. AICC is required to obtain preliminary site plan and engineering review and approval like any other developer or applicant is required to do. Following engineering approval, they are required to submit the approved plans to the City Planner for final site plan approval. Ms. McLaughlin stressed the most important aspect of this is that the City and the AICC are determining the outcome themselves, and not leaving it to a judge or a jury. If the City were not to prevail on any of the claims and continue to trial, most likely the judge would be dictating the terms of the mosque and the City would have no say. AICC would most likely get more than what they are getting under this Consent Judgment. She stated the Consent Judgment retains control with the City. The resolution with the Department of Justice also involves a Consent Order that imposes a few minor reporting/training requirements on the City. There is no determination under either of these resolutions that there was a violation of any law or the Constitution, including RLUIPA. The final piece of the resolution of these cases requires the City release its deductible for

resolution by its self-insurance company to resolve the financial aspects of the litigation. She believed the deductible is approximately \$350,000. The insurer has reached a potential resolution with AICC that those parties consider confidential between themselves. If the City does not accept this resolution, it will be required to defend two lawsuits. Ms. McLaughlin stated her firm has had three lawyers involved in this case, so those costs would be incurred, in addition to the possibility that the self-insurance company would withdraw or deny coverage for any financial losses that might occur in the future. The parties worked diligently to resolve this matter, and the opportunity to settle these cases is now.

Mayor Taylor thanked Ms. McLaughlin for her presentation. He stated the Council will now take citizen comments regarding this issue.

Mr. Tom Saul – concerned about lighting and sound so close to residential properties.

Ms. Megan McKuen – concerned that full disclosure did not occur; requested postponement.

Ms. Janice Daniels, former Mayor of the City of Troy – urged City to fight the lawsuits.

Mr. Tom Mitchell – concerned that the City's settling appears like an admission to guilt regarding the discrimination charges and argued this is not discrimination.

Ms. Janet Johnson – felt this is interference with local government; questioned if the new Attorney General in Department of Justice may dismiss lawsuit.

Ms. Jazmine Early – urged Council to fight the lawsuit; concerned about full disclosure and paying this settlement with taxpayer’s money.

Mr. Jerry Sieja – recalled Freedom Hill lawsuit years ago, and urged Council to enter this settlement; concerned if the City pursues lawsuit and loses, they will not have as much say on the development.

Mr. Michael Radtke Jr. – urged Council to accept settlement; concerned about bad publicity.

Ms. Sanaa Elias – felt City’s decision was on facts and what is good for the community, not feelings; concerned that settling will appear as though the City “used bad judgment”, which is untrue; suggested the AICC find another location.

Mayor Taylor called an unnamed speaker out of order, and the meeting briefly recessed at 9:50 p.m., reconvening at 10:00 p.m.

Mr. Sam Tolla – concerned about size of building and impression given if City settles.

Dr. Steve Naumovski – claimed the Planning Commission denial was based on a wrong location, but lawsuit alleges discrimination; stressed Sterling Heights is a city of excellent diversity and tolerance; urged Council to fight the lawsuit.

Ms. Jackie Ryan – objected to the alleged discrimination in the lawsuit when denial had to do with location and size of building; felt lawsuit should be dismissed by the Department of Justice.

Mr. James Mischel – concerned about the huge building and neighboring property values decreasing if the City settles; felt City should fight the lawsuit.

Mr. Bob Moffa – urged the Council to go forward and fight; Planning Commission vote was 9-0 to deny this; concerned settling will appear as an admission of guilt.

In addition to the named individuals who spoke, there were twenty-four (24) unidentified speakers who voiced their opposition, citing concerns about safety, increased traffic, the building being too large, too tall, too close to residential homes, the general appearance of the building, lighting spilling over into the residential district and multiple mosques already in the area. There were questions raised by some, such as whether there will be a fence around the property, access to the neighborhood streets from the mosque parking lot, whether there are plans to combine this property with adjacent land, and how many members this mosque will have. Some speakers were encouraging the Council to continue to fight the lawsuit, while others felt the best option is to settle. There was concern expressed by some that settling may appear as an admission to guilt when that is not the case, and others insisted it is not an issue of racism but simply that a

more suitable location could be found for such a large building. Some speakers requested postponement, citing that there was not full disclosure and that there was not sufficient notification given on this agenda item. There were also a few complaints with regards to the two-minute time limit placed on the public comments for this item.

Ms. McLaughlin responded to some of the citizen comments. One question was whether this can be considered this evening because of the Michigan Open Meetings Act, and she clarified it does not require an agenda be posted or distributed at any time. It only requires a regular meeting notice be provided on an annual schedule of meetings, which the City has done. She addressed a question about maintenance of the road abutting the proposed mosque, and stated the City may impose permit parking in that area for parking enforcement; however, if it does so, it must do the same in other locations where similar problems exist, and it cannot single out any specific religion or religious denomination. The City will have the force of the Court behind it if it needs to enforce any of the terms of the Consent Judgment. If issues cannot be resolved, the City has the power to go back to the Court and get the Court to give the relief as required in the Consent Judgment. She addressed the concern that people feel the City is admitting some liability that it has discriminated against this group, which is not true. She emphasized that, as she previously mentioned, there is no determination in this resolution that the

City did anything wrong, and there is an express denial of liability of any illegal or unconstitutional act by the City of Sterling Heights. She explained that both lawsuits were brought before the current president was inaugurated in January. She noted the Department of Justice lawsuit was brought under the Obama administration, and since then, President Trump has appointed an Acting Attorney General for the Civil Rights Department. She confirmed they have been working with his subordinates, so the Trump administration is aware of this lawsuit and there is no indication that there is any intention to withdraw it now. She stated that, as a lawyer for the City of Sterling Heights, her duty of loyalty and ethical duties imposed upon her require she act in the best interest of the City of Sterling Heights, and she assured she and her firm have done that.

Moved by Skrzyniarz, seconded by Taylor, **RESOLVED**, to:

- (1) Approve the consent order in the Case, *United States of America v City of Sterling Heights*, U.S. District Court Case #16-14366; and
- (2) Approve the consent judgment in the case, *American Islamic Community Center, Inc. v Sterling Heights*, U.S. District Court Case #2:16-cv-12920-GAD-EAS; and
- (3) Authorize the release of the City's self-insured retention to the Michigan Municipal Risk Management Authority; and

- (4) Authorize the City Attorney to sign all documents required in conjunction with this approval.

Councilman Skrzyniarz stated over the last several months, the City and the AICC, along with the respective attorneys, have worked to arrive at this settlement, and it was not done in haste. As part of the settlement, the issues of parking, traffic and overall size of the dome and spires initially raised by the Planning Commission have been addressed. He reminded that Sterling Heights, as stated in the City's 2030 Vision Statement, is a vibrant community for residents and businesses that is safe, active, progressive and distinctive. As far as specific changes to the site plan, the height was reduced, a contingency plan for overflow parking was obtained, and on-street parking is prohibited. There will be a shuttle service for events that may exceed the 139 on-site parking spaces. The City is choosing to settle and not litigate this matter further because the valid land use concerns were resolved to the City's satisfaction, so there is no point in incurring additional costs through a prolonged litigation that would cost the taxpayers additional money. Avoiding settlement in proving the City's case through litigation against the City's insurance carrier's recommendations could have exposed the City to costs beyond the deductible and may not have addressed the Planning Commission's land use concerns. He emphasized that by settling, the City has reduced their financial risk and retain input as to what the development will contain. He addressed the City's relationship with the AICC, the AICC members live in Sterling Heights, and the Board members serve on the City's

Ethnic Committee. Both parties are committed to building on this relationship in concert with the City's overall commitment to inclusiveness. There was loud discussion from numerous audience members, and Mayor Taylor called them out of order. The meeting briefly recessed at 10:37 p.m. and reconvened at 10:44 p.m.

Councilman Skrzyniarz stated this country has a tradition since their founding fathers, where religious freedoms are protected. He read a quote from Abraham Lincoln regarding religious freedom. He was confident the City will get through this, expressing his belief in the community, this Council and the City government.

Mayor Taylor stated there are churches and mosques all through the community, and noise is not a concern of his. He did not believe a worship center is a noisy use. He addressed the concerns expressed tonight about "admission of guilt". He stated he supports the Planning Commission and feels they arrived at the right decision. The AICC petitioned for a mosque and the Planning Commission requested that they address certain issues, such as the height of the building and the parking. The AICC came back and lowered the spires, raised the dome, increased the overall mass of the building and did not address the parking concerns, so he believed the Planning Commission acted within their rights to deny the request. If a proposal grows, it is not uncommon for it to be denied. He vehemently denied that the Planning Commission operated in any way to discriminate or violate the rights of the American Islamic Community Center, and

he maintains they denied it based on legitimate planning and zoning issues. He reminded that they have the right to amend their proposal and had they come back and addressed those specific concerns, they would have been granted the right to build the mosque at that time. Mayor Taylor stressed they cannot violate an American's constitutional right. He referred to a speaker who stated we are all family, and while that is true, he noted that she left out an important part that the American Islamic Community Center is also part of the "family" and part of the American culture and fabric of the community.

There were several outbursts so Mayor Taylor called a recess at 10:53 p.m. Everyone was asked to leave the room until the next item on the agenda, at which time they will be allowed to re-enter. The meeting reconvened at 11:00 p.m.

Mayor Taylor stated traffic is not a concern of his, citing a new 800-home development going up on Maple Lane and 14 Mile Road, and there was no outcry for traffic when that plan was being considered. He stated that, regarding the AICC proposal, the concerns that were not addressed before the Planning Commission have now been addressed, so he could see no reason to continue to go forward with litigation. He stated Council needs to approve this because it is the right thing to do. He was not happy a lawsuit was filed and noted it could have been resolved without a lawsuit, but the AICC will have a place to worship in the City of Sterling Heights, and he is assured this will not be disruptive to the residents, and there will be no additional traffic or safety concerns there. He was glad to move forward, and commended the job done by City Administration, City

Attorney and outside counsel in representing the interest of the residents of Sterling Heights.

Yes: All. The motion carried.

Mayor Taylor noted it is after 11 p.m. so they will take a brief recess, reopen the Council chambers and continue with Communications from Citizens when the meeting reconvenes.

The meeting recessed at 11:03 p.m. and reconvened at 11:07 p.m.

#### COMMUNICATIONS FROM CITIZENS

Mayor Taylor explained that since it is past 10 p.m., they will go to Communications from Citizens before proceeding to Item #5.

Mr. Jerry Sieja – pleased with the Dodge Park Bridge and Riverland Bridge.

Ms. Jazmine Early – concerned about discrimination.

Mr. Charles Jefferson – money for schools like what the City of Detroit is receiving; would like to see Project Green Light in Sterling Heights.

Mr. Bob Moffa – opposed to time limits on public comments; concerned about costs passed on to City for sewer collapse.

Ms. Jackie Ryan – time limits on citizen comments.

Unnamed speaker – thanked Council for all their efforts on the many tasks they have.

Dr. Steve Naumovski – member of Ethnic Community Committee for 18 years; proud to be a resident in such a safe community; urged residents to

attend the 2017 Cultural Exchange event; suggested opening an Ethnic Museum in the City where residents can learn more about each other.

5. Mayor Taylor stated this item is to consider appointments to City of Sterling Heights Boards and Commissions.

A. Corridor Improvement Authority (CIA)

Mayor Taylor recommended the reappointment of Mr. Philip Hunsberger to the Corridor Improvement Authority.

Moved by Ziarko, seconded by Schmidt, **RESOLVED**, to appoint Mr. Phillip Hunsberger to the Corridor Improvement Authority to a term ending June 30, 2020, subject to the appointee meeting the qualifications set forth in Charter §4.03 and taking the oath of office within two weeks.

Yes: All. The motion carried.

Mayor Taylor recommended the appointment of Mr. Thomas Kavulich and Mr. Tony Eckrich to the Corridor Improvement Authority to terms ending June 30, 2019.

Moved by Ziarko, seconded by Schmidt, **RESOLVED**, to appoint Mr. Thomas Kavulich and Mr. Tony Eckrich to the Corridor Improvement Authority, each to a term ending June 30, 2019, subject to the appointees meeting the qualifications set forth in Charter §4.03 and taking the oath of office within two weeks.

Yes: All. The motion carried.

Mayor Taylor recommended the appointment of Mr. Michael D'Agostini to the Corridor Improvement Authority to a term ending June 30, 2018.

Moved by Ziarko, seconded by Schmidt, **RESOLVED**, to appoint Mr. Michael D'Agostini to the Corridor Improvement Authority to a term ending June 30, 2018, subject to the appointee meeting the qualifications set forth in Charter §4.03 and taking the oath of office within two weeks.

Yes: All. The motion carried.

Mayor Taylor recommended the appointment of Ms. Deborah Travis to the Corridor Improvement Authority to a term ending June 30, 2020.

Moved by Ziarko, seconded by Schmidt, **RESOLVED**, to appoint Ms. Deborah Travis to the Corridor Improvement Authority to a term ending June 30, 2020, subject to the appointee meeting the qualifications set forth in Charter §4.03 and taking the oath of office within two weeks.

Mayor Taylor stated there were a lot of appointments to be made to the CIA this evening. He advised there is a lot of activity now taking place in the corridor where they have this Authority. He thanked the Economic Development Director, Mr. Luke Bonner, who was instrumental in helping him locate people willing to serve. He stated it is a very technical board, and there are very specific qualifications that must be met to serve on it. He also thanked the people who are willing to serve on this important board.

Yes: All. The motion carried.

B. Elected Officials Compensation Commission (EOCC)

Mayor Taylor recommended the appointment of Ms. Lori Doughty to the Elected Officials Compensation Commission to a term ending June 30, 2019.

Mayor Pro-Tem Ziarko stated she did not see Ms. Doughty's name on the list, and questioned whether she is eligible.

Mayor Taylor stated that Ms. Doughty has an application on file, so she is eligible to be appointed.

City Clerk Carufel confirmed that anyone with an application on file, whether they have selected to be considered for a board or not, is eligible under Council rules. He also confirmed that Ms. Doughty has an application on file.

Moved by Ziarko, seconded by Schmidt, **RESOLVED**, to appoint Ms. Lori Doughty to the Elected Officials Compensation Commission (EOCC) to a term ending June 30, 2019, subject to the employee meeting the qualifications set forth in Charter §4.03 and taking the oath of office within two weeks.

Yes: All. The motion carried.

C. Beautification Commission

Moved by Ziarko, seconded by Schmidt, **RESOLVED**, to appoint Mr. Patrick Francis to the Beautification Commission to a term ending June 30, 2019, subject to the employee meeting the qualifications set forth in Charter §4.03 and taking the oath of office within two weeks.

Yes: All. The motion carried.

REPORTS FROM CITY ADMINISTRATION AND CITY COUNCIL

Mr. Vanderpool commented on a couple of items that were brought up this evening. He confirmed there is pending legislation to eliminate the income tax, which generates about \$9 billion. If the proposal passes, it would have drastic

impacts on cities across the state, and the Michigan Municipal League is fighting hard to make sure everyone understands the implications of this legislation. He added the Governor opposes it, and it would create an immediate \$1 billion void in the State's General Fund, so the local revenue sharing would be in jeopardy. He confirmed that the State has already lost over \$40 million in state revenue.

Mr. Vanderpool addressed concerns related to the sewer repair costs, the City is looking at ways to mitigate the costs and looking at cost recovery items. The City has retained the services of experts to look at options, because at this point if the cost to repair is \$100 million, the City will be responsible for over \$30 million.

Mr. Kazsubski stated he had nothing to report.

UNFINISHED BUSINESS / NEW BUSINESS

Councilwoman Schmidt stated she has received numerous emails and phone calls about Waste Management increasing their recycling fees.

Mr. Vanderpool replied that Waste Management has decided to increase their curbside recycling fees to approximately \$90. They have a license agreement with the City and have unilateral control over pricing, driving by what they claim as market conditions, such as the closure of a recycling facility. He confirmed that they did not give the City any courtesy of advanced notice, nor did they ask for the City's comments or enter a discussion with the City. He advised Waste Management's licensing agreement remains in effect for just over one more year, and in July 2018, GLF will start providing curbside recycling at a reduced cost to

approximately \$57. Residents will then receive once-a-week collection, so although this is a short-term problem, he confirmed there is a long-term solution.

Mayor Taylor stated that, prior to tonight's meeting, he received a letter of resignation from Mr. Skrzyniarz. He regretted having to accept the letter, but stated the Council must act on it.

Moved by Ziarko, seconded by Taylor, **RESOLVED**, to accept with regret the resignation of Councilman Doug Skrzyniarz from the office of City Council, and thank him for his service to the City of Sterling Heights.

Councilman Skrzyniarz stated he grew up in the town of New Baltimore, and provided a little background of how he became involved in local government at a very young age when he suffered a near-death asthmatic attack because of leaf-burning, and proceeded to fight the City of New Baltimore to have it banned. He decided at that point to spend his career trying to make a difference in his community. He cited numerous accomplishments of this Council throughout the last four years, and he emphasized it is a record for which he is proud to have been a part of. He was glad that, during his first term, he could serve with former Mayor Notte, and he considers himself equally as fortunate to have served with Mayor Taylor and the Council members. He also felt the most credit goes to Mr. Vanderpool and all the City's employees for the excellent job they do, and credited the Council for supporting this great team. Councilman Skrzyniarz explained that, in consideration of additional responsibilities that he and his wife have both taken on in their respective careers, along with other family

commitments, has led he and his family to decide to move closer to his wife's job in Oakland County, which will also be closer for his frequent commutes to Lansing for his job. He emphasized that, while he loves politics, he loves his family more, and thanked his supporters, friends and family for supporting him these last four years. For these reasons, he is announcing his resignation from City Council effective March 6, 2017. He wished his successor good luck and expressed his appreciation to all the residents of Sterling Heights.

Councilwoman Sierawski echoed Mayor Pro-Tem Ziarko's regret to see Councilman Skrzyniarz's resignation. She stated she has known Councilman Skrzyniarz for over twenty years, and commended him for being a good man and serving the City well. She added she will miss seeing him here and wished he and his family the best.

Councilwoman Koski enjoyed serving with Councilman Skrzyniarz, and she wished he and his family well.

Councilwoman Schmidt wished Councilman Skrzyniarz well. She understood having to juggle a young family with a career is difficult, and family should come first. She was confident he will do well. She appreciated his friendship and comradery, and their opposition at times, noting they learn by listening to people with differing views, but she added he always remained respectful. She wished he and his family well.

Councilman Shannon considered Councilman Skrzyniarz a friend and epitome of leadership, adding it is sad to see him go. He understood his motivation to resign

based on what is best for his family, but he emphasized he will miss Councilman Skrzyniarz, and will also be missed on this Council and by the City.

Councilwoman Ziarko stated that she met Councilman Skrzyniarz just before he ran for City Council, and she stated he brought a different demographic to the Council. She considered Councilman Skrzyniarz not as a politician but as a public servant, and through all his time he served as a volunteer and elected official, other people are forefront in his mind, which is something she appreciated. She commended him for his intelligence, and although he is leaving Council, she assured he will still be part of this family. She thanked him for all he brought to the City.

Mayor Taylor commended Councilman Skrzyniarz for bringing a different aspect to public service, and he has learned a lot from his leadership and public service style. He stated that, while he and Councilman Skrzyniarz may have different views on federal level politics, he pointed out it shows how important local politics are, and Councilman Skrzyniarz would always “check that at the door” and get things done for the residents. He is proud of him for the list of accomplishments, and although it is a team effort and the entire Council receives some credit, he emphasized that Councilman Skrzyniarz was a driving force behind a lot of the positive change that has occurred. He added that Councilman Skrzyniarz has done more in three years than a lot of people can say they have done in an entire career, and Mayor Taylor credited him for making him a better leader. He stated he will be missed, and he wished him well. He hoped this will

not be the end of Councilman Skrzyniarz's political career, and he looks forward to seeing the ways he serves his community and makes it a better place. He concluded that it is with great regret he accepts this resignation and wished him the best.

Yes: All. The motion carried.

ADJOURN

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

Yes: All. The motion carried.

The meeting was adjourned at 11:59 p.m.

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MARK CARUFEL, City Clerk