

**MINUTES OF A REGULAR MEETING OF THE CITY COUNCIL FOR THE CITY OF  
EASTPOINTE, MACOMB COUNTY, MICHIGAN, HELD ON TUESDAY,  
JANUARY 2, 2007, IN THE CITY HALL**

Invocation was rendered by Robert Hribar.

Pledge allegiance to the flag was presented.

The meeting was called to order at 7:00 p.m. by Mayor Austin with the following Council Members present:

Klinefelt, Pixley, Selvidge and Sweeney

Administrators present: Altimus, Hribar and Mancani

Mayor Austin announced the first Hearing of the Public, at which time:

Bernice Schultz discussed the senior card club moving to the Community Center, LFA Hall or Roseville and discussed the card club roster.

Jim Collins discussed the petition to put the new City Hall on the ballot for the residents to vote on.

Kevin Grand discussed support given to a disruptive resident at the last meeting.

There being no further comment, Mayor Austin announced the Hearing of the Public closed.

Mayor Austin removed the closed session from the Agenda.

Motion by Selvidge, seconded by Sweeney to table approval of the minutes of the regular meeting held on December 19, 2006.

Yeas: Selvidge, Sweeney, Klinefelt, Pixley and Austin

Nays: None

Mayor Austin announced that there were no scheduled hearings.

Mayor Austin announced that there was no unfinished business.

Assistant City Manager, Finance Director and City Attorney gave their respective reports from administration.

Assistant City Manager Altimus announced the special Council Meeting for next Tuesday to discuss the Corridor Improvement Authority.

Finance Director Mancani had nothing to report.

Councilwoman Klinefelt commented that she has a series of questions regarding the lease with the Building Authority; discussed the section regarding providing money to the Building Authority to operate and maintain the buildings; discussed page 6 of the lease which allows the Building Authority to seek bonds above and beyond the stated amount if they run short on the project without approval of the City; discussed that she would like the City Manager to review the documents and would like to point out to Ms. Mancani the particular sections in the contract that are of concern to her.

Ms. Mancani discussed that she had the City Attorney review the documents.

Councilwoman Klinefelt asked Mr. Hribar to review the second paragraph on page 6 of the Limited Tax Full Faith and Credit General Obligation Contract of Lease; asked what the benefit of having a Building Authority is; asked what the purpose of the Building Authority is and asked why we do it that way.

City Attorney Hribar discussed that Building Authorities are a creature of statute and provide that a municipality will create a Building Authority and the bonds are issued through the Building Authority and the property is deeded from the City to the Building Authority and then leased back to the City and it doesn't affect the overall debt structure of the City; discussed that the bond payments from the City are the rent that is paid back to the Building Authority to satisfy the bonds and once the bonds are paid in full the statute provides that the property is then deeded back from the Building Authority to the City.

Councilwoman Klinefelt asked how it releases us from the debt structure. Ms. Mancani commented that it is done in the reporting at the end of the year. Councilwoman Klinefelt asked if all cities do this. Mr. Hribar responded that yes they all do it. Mr. Hribar commented that last time we did this there was a meeting with a member from the bond counsel that answered Council's questions.

Councilwoman Klinefelt asked Mr. Hribar to review the act and see if going through the Building Authority is a requirements or an option.

Ms. Mancani discussed that the Building Authority was already in effect over a year ago and the Building Authority has to remain in authority until the current bonds are extinguished and those bonds covered the City Hall building. Councilwoman Klinefelt didn't know if the City Hall was under those bonds and when the debt is paid off the building should be quit claim deeded back to the City. Ms. Mancani discussed that when the bonds were issued some money was going to be spent on City Hall at the end of the project.

Councilwoman Klinefelt discussed that she would like to go over the documents more thoroughly with Ms. Mancani and with the City Manager.

Mr. Hribar asked Council if they wanted him to call Miller Canfield to meet with Council to discuss bond issues.

Mayor Austin asked Ms. Mancani what the timeline was on this. Ms. Mancani commented that there is a 45 day debt referendum period after everything gets approved and once Council approves it then it goes to the Building Authority for final approval.

Mayor Austin asked Councilwoman Klinefelt if one week was enough time for her to have her questions answered and after next week's vote Mr. Hribar will contact the bond counsel to attend a meeting with Council to answer their questions.

Mayor Austin requested that Ms. Mancani's contract adjustment be placed on the next agenda.

City Attorney Hribar had nothing to report.

Mayor Austin announced new business.

Motion by Klinefelt, seconded by Sweeney, to table Resolution No. 1549 - Resolution Approving Building Authority Contract and Notice.

Yeas: Klinefelt, Sweeney, Pixley, Selvidge and Austin  
Nays: None

Motion by Klinefelt, seconded by Sweeney, to table approval of Notice of Intention of Entering into Limited Tax-Supported Contract of Lease and of Right to Petition for Referendum Thereon.

Yeas: Klinefelt, Sweeney, Pixley, Selvidge and Austin  
Nays: None

Motion by Klinefelt, seconded by Sweeney, to table the execution of the Limited Tax Full Faith and Credit General Obligation – Contract of Lease.

Yeas: Klinefelt, Sweeney, Pixley, Selvidge and Austin  
Nays: None

Motion by Selvidge, seconded by Sweeney, to table the appointment to the Board of Review to fill an unexpired term to expire March 15, 2009.

Yeas: Selvidge, Sweeney, Klinefelt, Pixley and Austin  
Nays: None

Motion by Sweeney, seconded by Selvidge, to appoint Joe Ramsey and Rachel Linville to the Beautification Commission: two terms to expire December 31, 2009.

Yeas: Sweeney, Selvidge, Klinefelt, Pixley and Austin  
Nays: None

Motion by Sweeney, seconded by Selvidge, to table the appointment to the Beautification Commission to fill an unexpired term to expire December 31, 2008.

Yeas: Sweeney, Selvidge, Klinefelt, Pixley and Austin  
Nays: None

Motion by Selvidge, seconded by Sweeney, approving the following payroll and bills in the amount of \$1,226,737.52.

Yeas: Selvidge, Sweeney, Klinefelt, Pixley and Austin  
Nays: None

Mayor Austin announced the second Hearing of the Public at which time:

Jim Collins requested that special meeting dates be put on the television.

There being no further comment, Mayor Austin announced the Hearing of the Public closed.

Mayor Austin announced Mayor/Council Reports.

Councilman Selvidge wished everyone a Happy New Year and wished his daughter a happy birthday.

Councilwoman Klinefelt wished happy birthday to her daughters.

Councilman Sweeney wished everyone a Happy New Year; discussed that 2007 is going to be a challenging year and as a City we can come together; discussed that Eastpointe is taking strides to get things done and hoped everyone had a great holiday.

Councilwoman Pixley wished everyone a Happy New Year; discussed hopefully finding a place for the Monday morning seniors; responded to Mr. Collins regarding that she didn't see the petition for the City Hall; mentioned that the Beautification Commission is having gardening seminars on the second Thursday of the month for the next four months at the Community Center; announced the Chili Challenge at St. Gabriel's on January 20<sup>th</sup> at 11:00 a.m. and that it benefits the Networking Forum and announced the Arts & Ice festival at East Brooke Commons on January 27<sup>th</sup> and 28<sup>th</sup>.

Mayor Austin announced that on January 17<sup>th</sup> the State of the City Address will be held at Eastpointe Manor and to contact the Chamber for tickets; announced that it is National School Board Recognition Month; thanked the School Board for the job they do; discussed that November was National Children's Book Week and announced the winners that created the bookmarks.

Motion by Selvidge, seconded by Sweeney, to adjourn the meeting at 7:42 p.m.

Yeas: Selvidge, Sweeney, Klinefelt, Pixley and Austin  
Nays: None

---

RANDY ALTIMUS  
DEPUTY CITY CLERK

---

DAVID AUSTIN  
MAYOR