

**MINUTES OF A BOARD MEETING OF THE  
RECREATIONAL AUTHORITY OF  
ROSEVILLE AND EASTPOINTE  
HELD ON THURSDAY, JUNE 13, 2013**

The meeting was called to order at 6:30 p.m. at the Roseville Recreation Center, 18185 Sycamore, by Chairperson Aiuto with the following Board Members present:

Duchane, Frontera, Marion and Switalski

Administrator present: Director Lipinski

**Approval of Minutes:**

Motion by Switalski, seconded by Frontera, to approve the minutes of May 16, 2013, as written.

**MOTION CARRIED**

**Discussion and/or Action on Disbursements and Budget Report:**

Motion by Switalski, seconded by Duchane, to approve the disbursements as provided.

**MOTION CARRIED**

**Communications:**

Director Lipinski informed the Board that anything on the right hand side of their folder is communications and asked if the Board had any questions.

There was no old business.

**Update on Internal Footing Core Testing from AEW:**

Scott Lockwood from AEW provided an update on core testing; this was discussed over a year ago at an Authority meeting; there was a concern with internal footings; basically doesn't really have anything to report other than they have taken the cores; expect results by the end of June and doesn't know if he will be able to report back in July or August. Mr. Lipinski said that once we get those results we would begin discussions on what the Authority would like to do. Vice Chairperson Duchane said that he assumes that there was no core sampling at the western portion of the building because there is no evidence of any problems. Mr. Lockwood responded yes. Board Member Switalski asked if the pictures are external core samples and that we don't have the internal core samples yet. Mr. Lockwood replied yes.

**Review and Request Adoption of Combined Fee Schedule:**

Wendy Richardson (15553 Sprenger, Eastpointe) spoke regarding the fee schedule; when she first heard about usage fees increasing at Eastpointe parks from the residents she was shocked that RARE had the authority to raise such fees; the topic was discussed at several Council meetings recently and the Council has expressed the same sentiment; it seems that there is a disconnect between our City and the Authority and believes the reason for this is that none of the current Board Members were involved in the formulation of RARE and probably do not know of the deep apprehension that our Council had regarding the inclusion of our parks; let me explain – when we began discussions, up to and including the joint meeting of the Roseville and Eastpointe Councils, Eastpointe was adamant that our parks were not included; we were told the only thing RARE would be doing is scheduling the fees and other administrative duties since we would no longer have the staff to perform those functions; that was the beginning and the end of RARE in our parks; so you can understand that when the Council approved the

Use Agreement which stated the Authority would schedule and coordinate, we thought we were agreeing to the same understanding that we had in the beginning – simply that the Authority would schedule the fields; we reviewed the Use Agreement at our last Council meeting and our attorney reiterated that the Agreement was silent to the fact of the Authority having the power to raise fees; I hope that you can understand why I am so shocked that the fees were raised in my City without my knowledge; first I want to tell you how we do things in Eastpointe; we debate every issue at the Council table with input not only at the hearing of the public, we have two – one at the beginning and one at the end; many of the residents also contact each Council person and a surprising number of people actually watch our meetings; our discussions are long and passionate, things sometimes take longer than expected; it's messy and it makes for long meetings but in the end everyone is heard and different sides are considered; when it's over the Council votes and those dissenting accept the outcome; over the last few years our Council has made some very unpopular decisions and I think our residents have accepted the outcome of those decisions better because of the process; this is in stark contrast to the process in increasing the fees in our parks; I understand that it didn't go through a public airing before going into effect; it is unclear who made those decisions or what the process was for citizen input at that time; I understand that today you are going through that process but after the fees have already been assessed to people; the bottom line is this is a partnership and we need to work together for a number of years; right now we have an agreement that means one thing to RARE and another thing to our Council; for all intents and purposes our Council never approved RARE to set those fees for the parks so what I propose for this year is that the Authority goes back to the last fee schedule for Eastpointe, just for the parks, that was debated and approved by a governing body (the Eastpointe Fee Schedule) and anyone that paid more than those fees would have those fees refunded; as for the agreement with the East Detroit School Board I would be willing to keep that in place for a year since there was no agreement previously; The Authority can then develop recommendations for the fee increases that would take place next year; Council understands the need for increasing revenue and this will not be something we take lightly; I also suggest that all agreements between the parties need to be far more explicit in their nature to avoid these misunderstandings in the future; while I can see an expanded role for the Authority in the future, any new powers or items that our City has typically done that needs to be specific and approved by our City.

Director Lipinski responded to Ms. Richardson that mainly the rental fees were for the pavilions, ball fields, soccer fields and football field; fees are mainly set to cover our costs (providing staff and maintaining the fields); pavilion rentals were brought in line with area rentals; comparisons were presented to this Board and fees were set to be consistent throughout the Authority; would be difficult from an administrative standpoint to have various fees for various facilities that you are reserving; understands Ms. Richardson's point but thinks as an Authority we do have the authority to set fees to at least cover our costs for reserving those facilities that we were given the authority to reserve as stated in the Articles of Incorporation.

Director Switalski asked Director Lipinski to tell him what the costs are for a ball field. Director Lipinski responded that we paid each city \$45,000 to utilize the facilities and that is one cost we are trying to recoup; schedule with each Parks Department; Authority schedules personnel to put out things, open bathrooms, stock the restrooms; have a park attendant and the pavilions are the same as ball fields; \$50/pavilion without electricity and \$75/pavilion with electricity and these fees are comparable to other communities,. Board Member Switalski asked Director Lipinski if he standardized it between our communities to not make money but to break even. Director Lipinski replied yes.

Board Member Duchane commented that as requested by Eastpointe City Council Mr. Albright, Mr. Tomlinson, Director Lipinski and he met today to discuss the concerns of the Eastpointe City Council and how does it interact more globally about who is setting rates and fees and how does the agreement work; a lot of this is being developed as we go; certainly we had to have a season and move ahead and coordinating the park facilities by RARE was necessary; a challenge in this is to define what is a constitutional question of what role do the Councils have now that they have incorporated this Board and set it forth under the Articles of Incorporation; the second question is what should they have and how should the public be involved in that; Mr. Albright and Mr. Tomlinson are preparing a memorandum of law

that will articulate, as best as possible, how the agreements work together with this special unit of government; and how we proceed and operate; should have the memorandum within thirty days, but business does have to go on; threshold question is who sets fees and how are they approved and the other one that was raised by the Councilperson is how do we want to proceed because we are a partnership; if we have erred then he has no problem with a refund process; understand the issue has a question and is being assessed legally but we need to continue business today and adjust accordingly as we learn more in the future.

Director Frontera commented that when this was incorporated we were supposed to do the programs and the two buildings and now we are in the parks, we are maintaining the pavilions and we are doing all these things that the City would have to do whether we were here or not; consequently we have to charge and we have to charge East Detroit School District for use of the football field and charge increased fees for Eastpointe and doesn't understand why we are paying \$45,000 a year to each City and we are sending staff to maintain the parks also; if we didn't exist the parks would still have to be maintained and that is not under our jurisdiction, so his problem is that we are basically being charged twice for the same thing. Director Lipinski clarified the \$45,000 a year to each City; they do have to maintain the parks that are owned by the City and residents will still use them; when we do schedule a baseball game or soccer game then the Parks Maintenance Division line the fields, drag the fields, etc, and we then send staff during the event to restock the restrooms, help keep the garbage clean and monitoring the event (they are not maintaining the park); parks maintenance doesn't fall on us but facilitating the events does fall on us.

Board Member Marion commented that he still thinks this is a work in process, will develop over the years, maybe we'll make some mistakes and make corrections/adjustments.

Chairperson Aiuto asked did we have a public hearing on the fees. Director Lipinski responded that the fees were discussed at one meeting and at the following meeting the fees were set. Chairperson Aiuto commented that one concern was the public hearing and did we allow people to have a voice in the increases and maybe there was a breakdown between this Board and Eastpointe City Council that we were having a public hearing and people could talk about it, so we would need to work on that so that if there are those kinds of changes it gets articulated to the Eastpointe City Council and Roseville City Council; hear you and hear your concerns; we are running this and doing the best we can as we step forward and if we make mistakes we will correct them; trying to cover our costs and just like Eastpointe and Roseville our property values have dropped and we need to not spend more than we bring it.

Motion by Switalski, seconded by Duchane, to approve the Combined Fee Schedule.

#### **MOTION CARRIED**

Board Member Switalski informed Ms. Richardson that he heard her objection and the Authority does have people looking at it; we had a reason why we did it, to recover our costs and we do have to operate and run things but doesn't mean we can't change it if we have made an error and do want to have good relations with both cities.

Vice Chairperson Duchane commented that perhaps we should have a public hearing on the budget after it has been introduced.

Board Member Frontera commented that the Authority wants its costs to be covered but again by voting for this he believes the Authority is stepping outside what the original Authority was set up for.

Chairperson Aiuto commented that from his perspective he doesn't think the Authority is stepping outside its bounds.

**Discussion and/or Action on 2012-2013 Budget Adjustments:**

Mr. Lipinski informed the Board that inside the packet are a couple of sheets with the most recent budget adjustments; didn't spend \$230,000 that was budgeted for the bond payment; revenues did come in better than we budgeted for and asked if there were any questions.

Board Member Switalski commented that the \$230,000 is set aside for the building. Chairperson Aiuto responded that it is our rainy day fund.

Motion by Switalski, seconded by Marion, to approve the FY2012-2013 budget adjustments.

**MOTION CARRIED**

**Discussion and/or Action on 2013-2014 Recreational Authority of Roseville & Eastpointe Proposed Budget:**

Director Lipinski informed the Board that in the packet is the proposed budget that was distributed two meetings ago with very little changes from that budget with the exception of the restructuring of the staff; replacing the activity coordinator in the senior office with a clerical support person and providing more responsibilities for clerical support in the main office as well as the sports coordinator.

Vice Chairperson Duchane asked Mr. Lipinski to go over some of the key items in his letter. Director Lipinski thanked Ms. Dancy for her help with the budget; basically completing our first full year and came in better than expected the first year. Ms. Dancy explained that overall expenses came in at \$1.6 million and revenues are expected to be \$1.9 million; expecting to end with an additional \$275,000 due to good use of expenses; we have minimum staffing with maximum bang for the buck and we try to capture the cost of each program, so can set expenses very close to revenues. Chairperson Aiuto commented that we did a good job on the budget even though we lost revenue from property values so it is just a matter of planning. Ms. Dancy commented that the Authority did a current year budget and also does a five year forecast to anticipate changes in property tax revenue and to be able to compensate for those changes and want to get through the next five years to at least break even and Director Lipinski did an excellent job with this budget. Director Lipinski commented that the staff meets and discusses how we can cut costs to save money to keep the most affordable programs for the residents.

Vice Chairperson Duchane commented on the SMARAT credits and that the State Legislature made a reduction in those and unfortunately heard from Lansing that some people didn't hear about it. Board Member Switalski commented that the Authority will be out over \$60,000 so we would need to do a budget adjustment later. Director Lipinski informed the Board that the Authority would still be okay for the next few years with this cut.

Board Member Switalski asked about the \$34,000 a year for rental of the Community Center and is that realistic. Director Lipinski responded that this is beginning in FY2014-2015 and he has had several inquiries, so that is something that is a possibility.

Board Member Frontera commented on the administrative fees we are paying to the cities (\$60,000) plus \$45,000 for each city (\$90,000) and asked are these fees the cities would ever consider lowering. Director Lipinski replied that the Authority is receiving good services for the money but could discuss with each City Manager to see if they would be willing to lower the fees. Board Member Switalski asked Director Lipinski if the Authority could do it cheaper. Director Lipinski replied no.

Motion by Switalski, seconded by Duchane, to approve the FY2013-2014 Recreational Authority of Roseville and Eastpointe budget.

**MOTION CARRIED**

**Discussion and/or Action on Cooperative Building and Land Use Agreement Between the Recreational Authority of Roseville and Eastpointe, the Roseville Community Schools and the City of Roseville:**

Director Lipinski said items 5 and 6 on the Agenda go together; would like the Board to review and he will take any questions back to the School Board.

Vice Chairperson Duchane asked Director Lipinski to explain why there is a separate Indemnification and Hold Harmless Agreement and Agreement to Repair. Director Lipinski explained that they have a separate document with the City of Roseville and wanted to have it the same way with the Authority. Board Member Frontera asked if this was something the East Detroit Schools didn't feel the need to have. Director Lipinski replied that this is probably something we can discuss with them next year.

Motion by Frontera, seconded by Marion, to approve the Cooperative Building and Land Use Agreement between the Recreational Authority of Roseville and Eastpointe, the Roseville Community Schools and the City of Roseville.

**MOTION CARRIED**

**Discussion and/or Action on Indemnification and Hold Harmless Agreement and Agreement to Repair Between the Recreational Authority of Roseville and Eastpointe and the Roseville Community Schools:**

Motion by Marion, seconded by Frontera, to approve the Indemnification and Hold Harmless Agreement and Agreement to Repair between the Recreational Authority of Roseville and Eastpointe and the Roseville Community Schools.

**MOTION CARRIED**

**Hearing of the Public:**

Wendy Richardson (15553 Sprenger, Eastpointe) thanked Board Member Frontera because he was the only one that understands the issue; talk about a partnership – it's not a partnership; when we started this process we were afraid of two things – we were afraid that Roseville would just roll over us and the parks would somehow get included in this thing; when she walked into this building everything says City of Roseville Senior Center and City of Roseville Recreation Center; there is no partnership here; all you did with the gazebos was put in whatever Roseville was charging which doubled Eastpointe's fees; this is the second time our Council was duped; when we agreed to this partnership we weren't told about the condition of this building because she wouldn't have voted for this; when we approved this Land Use Agreement at no time did we think that you would be involved in our parks at all, in fact, we had an entire conversation because when we got the Master Plan and all it was is this is what you are going to do with your parks and we said no, get out of our parks and we couldn't be more specific; so two things we were most afraid of have been realized; with the fees the Authority is going to go the legal route and you don't care what the Council thinks and she deeply regrets this Authority.

Walter Jakubiec (18318 Holland, Eastpointe) commented on the core samples and his feeling is if you are going to spend the money take it all out, get rid of all of it because it is money better spent.

**Director Report:**

Director Lipinski responded to Councilwoman Richardson and appreciates her comments; there are some things that will be taken into consideration regarding fees; sad to hear that you don't feel that this is a partnership and that we wouldn't be in the parks and recreation programs to operate in the parks; does work closely with parks maintenance staff in both cities and thinks that due to the establishment of this

Authority that there have been some improvements made in the parks; hopes that residents feel that with the establishment of this Authority their parks are receiving a benefit from it; he is serving the residents of Eastpointe and Roseville equally; explained that they are working on replacing the signs on the building; explained that there is some work being done at the varsity baseball field at Memorial Field and some games at Eastpointe parks have been postponed; thanked her for being at Opening Day along with Board Member Frontera, Mayor Pixley and Mayor Chirkun; informed the Board that he met with representatives of East Detroit High School, representatives of GM and GM retirees regarding service projects that students will be doing throughout the community; another positive step is that we received reservations for a semi-pro football team to play their home games at Memorial Field and first game is this Saturday at 7:00 p.m.; worked on cleaning proposal and contractor will be starting the beginning of next fiscal year; informed the Board that there was some vandalism to two senior vans last weekend and looking through surveillance cameras and trying to take precautions to keep vandalism to a minimum; announced that June 22<sup>nd</sup> is the annual fireworks celebration at Roseville Memorial Park; announced this weekend is the Gratiot Cruise in Eastpointe; last week Congressman Levin visited the Authority basically because of the senior lunch program being cancelled on Fridays; announced the Handicap Olympics are being held July 19<sup>th</sup>; informed the Board that twelve seniors visited East Detroit High School for an after school program between seniors and high school students; tomorrow will be meeting with a pastor group at Teen Outreach Center to explain the Authority and see how they could serve the communities better; announced a MiDOG garage sale fundraiser on June 28<sup>th</sup> and 29<sup>th</sup>; and thanked Jane Dancey for all her help with the budget.

**Board Member Reports:**

Board Member Frontera reiterated about our role with the parks; when the residents voted on this it was very specific – it was programs and buildings; disappointed that the City didn't take care of this building before the Authority passed and apologized to Ms. Richardson, but we have to do what is right for the Authority and cover our costs.

Board Member Switalski had nothing to report.

Board Member Marion had nothing to report.

Vice Chairperson Duchane had nothing to report.

Chairperson Aiuto had nothing to report.

Motion by Switalski, seconded by Frontera, to adjourn the meeting at 7:35 p.m.

**MOTION CARRIED**

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Linda S. Lince, Acting Secretary