

City of Portland

Portland, Michigan

Minutes of the City Council Meeting

Held on Monday, July 1, 2013

In Council Chambers at City Hall

Present: Mayor Barnes, Mayor Pro-Tem VanSlambrouck, Council Members Calley, Fabiano and Krause; City Manager Dempsey; City Clerk Miller; Police Chief Knobelsdorf

Guests: Paul Galdes of Fleis & VandenBrink; Kathy Parsons; Tom Thelen of the Review & Observer

The meeting was called to order at 7:00 P.M. by Mayor Barnes with the Pledge of Allegiance.

Motion by VanSlambrouck, supported by Krause, to approve the Proposed Agenda as presented.

Yeas: VanSlambrouck, Krause, Calley, Fabiano, Barnes

Nays: None

Adopted

Under the City Manager Report, City Manager Dempsey presented information on the action items for consideration on the Agenda.

City Manager Dempsey stated the Chamber of Commerce will hold its Annual 4th of July parade and fireworks on Thursday, July 4th. The parade will follow the same route as has been previously followed. The parade will begin at 10:00 A.M. The fireworks display will be held at Portland High School at dusk.

City Hall will be closed Thursday, July 4th and Friday, July 5th for the 4th of July Holiday.

The MDOT Bridge Culvert Project is nearly completed. The River Trail has been reopened; the barricades on Grand River Ave. will be coming down this week. The Eastbound I-96 ramp is now reopened as well.

Under Presentations, Paul Galdes of Fleis & VandenBrink presented information on their proposal to conduct a Water Reliability Study for the City of Portland. This is basically a water system master plan that is required to be completed every 5 years. It assesses the condition of the City water system, its usage and its facilities. A hydraulic analysis of the fire flow is also conducted. If approved this Water Reliability Study will be the 4th done by Fleis & VandenBrink for the City of Portland.

Council Member Krause asked if there would be much change in the report.

Mr. Galdes stated that there are some changes in requirements by the DEQ that may cause some significant changes in the study.

City Manager Dempsey also noted there have been several changes to the City water system over the past 5 years due to improvements during street projects. There have been changes in the size of some of

the water mains which will change flows; the study should show improvements to the system in terms of fire flow.

Council Member Fabiano inquired if the study would change the City's ISO rating.

Mr. Galdes stated that insurance rates for residents and businesses are set in part by the City ISO rating. He further stated this rating is not likely to change much.

Mayor Barnes asked if the study would evaluate the need of a new well and a possible location.

Mr. Galdes stated the study would recommend whether a new well would be needed and a potential location.

City Manager Dempsey stated the quote from Fleis & VandenBrink is very competitive because of their familiarity with the City's water system. The quote for the study is \$7,400; last time the City paid them \$7,700. Also, as Fleis & VandenBrink has been involved with all of the City's street projects they are aware of all improvements made to the water system.

Mr. Galdes presented a proposal to provide design engineering services for street improvements to Knox Ave., Storz Ave. and with an option for Barley Ave.

Council Member Fabiano inquired if the proposal could include improvements for Cutler Rd. in order to achieve economies of scale in planning.

City Manager Dempsey stated his goal is to have the planning for Cutler Rd. done in 2014 and ready for reconstruction in 2015 when Federal funds will be available for the project. It is expected the City will receive \$375,000 in aid for this project.

City Manager Dempsey recommended doing the design on Knox, Storz and Barley for economy of scale. Then quotes will be obtained for doing all three streets at once or doing Knox and Storz and then Barley. If the best option is to do all three streets at once then he will consider bonding the project as was done for the Grape St. project. The current interest rate is 1%. He doesn't believe that construction costs will go up at only 1% per year. It may be a significant savings in comparison to the interest costs.

City Manager Dempsey further explained the design on Cutler Rd. is nearly 80% complete.

Mr. Galdes stated there would be some savings in doing the design work on all four streets discussed at one time. He stated he would provide a detailed cost breakdown for the Council to consider.

Under New Business, the Council held the Second Reading and consideration of Ordinance 8B to amend Section 6-1 and create 6-3 of the Code of Ordinances to allow the keeping of Muscovy ducks in addition to female chickens in the City of Portland.

Motion by VanSlambrouck, supported by Fabiano, to approve Ordinance 8B to amend Section 6-1 and Section 6-3 of the City Code of Ordinances.

Yeas: VanSlambrouck, Fabiano, Calley, Krause, Barnes

Nays: None
Adopted

The Council held the Second Reading and consideration of Ordinance 194C to amend Section 28-6 of the City Code of Ordinances to permit the use of plywood rated for outdoor use for the supporting structure of signs 32 sq. ft. or less.

Motion by Krause, supported by VanSlambrouck, to approve Ordinance 194C to amend Section 28-6 of the City Code of Ordinances to permit the use of plywood rated for outdoor use for the supporting structure of signs 32 sq. ft. or less.

Yeas: Krause, VanSlambrouck, Calley, Fabiano, Barnes
Nays: None
Adopted

The Council held the Second Reading and consideration of Ordinances 145A to amend Section 4-2 to allow the City Council to approve ordinances or resolutions that would allow the possession and consumption of alcoholic liquor in public and Ordinance 146A to amend Section 22-30 to allow the City Council to approve resolutions that would allow the possession and consumption of beer and wine in City Parks with posted park rules that permit the same.

Motion by Krause, supported by VanSlambrouck, to approve Ordinance 145A to amend Section 4-2 to allow the City Council to approve ordinances or resolutions that would allow the possession and consumption of alcoholic liquor in public.

Yeas: Krause, VanSlambrouck, Calley, Fabiano, Barnes
Nays: None
Adopted

Motion by Krause, supported by Calley, to approve Ordinance 146A to amend Section 22-30 to allow the City Council to approve resolutions that would allow the possession and consumption of beer and wine in City Parks with posted park rules that permit same.

Yeas: Krause, Calley, VanSlambrouck, Fabiano, Barnes
Nays: None
Adopted

The Council considered Resolution 13-48 to approve park rules that would allow the possession and consumption of beer and wine in City Parks.

Motion by Krause, supported by VanSlambrouck, to approve Resolution 13-48 approving rules for City Parks.

Yeas: Krause, VanSlambrouck, Calley, Fabiano, Barnes
Nays: None
Adopted

The Council considered Resolution 13-49 to approve Fleis & VandenBrink's proposal to provide engineering services for the City's water system reliability study. The Michigan DEQ requires a Water

System Reliability Study every five years. The City's last study was completed in June 2008. The City's Fiscal Year 2013-2014 budget includes sufficient funds to cover the costs of the study.

Council Member Krause thanked Mr. Galdes for his presentation and expressed her feeling that the study of the City's water system & supply is very important.

Motion by Krause, supported by VanSlambrouck, to approve Resolution 13-49 approving Fleis & VandenBrink's proposal to provide engineering services for the City's water system reliability study.

Yeas: Krause, VanSlambrouck, Calley, Fabiano, Barnes

Nays: None

Adopted

The Council considered Resolution 13-50 to approve Fleis & VandenBrink's proposal to provide design engineering services for the reconstruction of Knox, Barley and Storz Streets. City Manager Dempsey reviewed the proposal and scope of work and recommended the Council approve the proposal for design engineering services for all three streets as one project for \$41,800 which would save \$4,000 on bidding, permits, and soil borings over the cost of doing Barley as a standalone project in a different year.

Motion by VanSlambrouck, supported by Fabiano, to approve Resolution 13-50 approving Fleis & VandenBrink's proposal to provide design engineering services for the reconstruction of Knox, Barley, and Storz Streets.

Yeas: VanSlambrouck, Fabiano, Calley, Krause, Barnes

Nays: None

Adopted

The Council considered Resolution 13-51 to approve the Board of Light & Power's recommendation to opt out of the Low-Income Energy Assistance Fund created by Senate Bill 284 of 2013 which will require all electric utilities to charge up to \$1 per month on customer bills to raise revenue that would go into the Low-Income Energy Assistance Fund administered by the State to provide heating assistance to needy individuals. City Staff has projected this could cost City Electric customers up to \$30,000 per year. SB284 provides that municipally owned electric utilities may annually opt out of collecting funds for the Low-Income Energy Assistance Fund. A utility that opts out cannot shut off electricity to a residential customer from November 1st to April 15th for nonpayment of a delinquent account. The City of Portland has previously adopted electric shut-off rules that protect low-income and senior citizens from electric shut-offs from November 1st to April 15th. The Board of Light & Power met on June 25th and passed a recommendation that the Council approve opting out of collecting funds for the Low-Income Energy Assistance Fund rather than raise customer electric bills by up to \$1 per month.

Council Member Krause clarified that the \$1 fee is basically a tax and is not guaranteed to stay in Portland to help Portland electric customers and that the City already provides assistance to seniors and low-income individuals.

Motion by Krause, supported by Calley, to approve Resolution 13-51 approving the Board of Light and Power's recommendation to opt out of the Low-Income Energy Assistance Fund created by Senate Bill 284 of 2013.

Yeas: Krause, Calley, VanSlambrouck, Fabiano, Barnes

Nays: None
Adopted

The Council considered Resolution 13-52 to approve the Board of Light and Power's recommendation electing to participate in the MPPA's Full Requirements Economic Evaluation Service Committee and authorizing the expenditure of development funds. The MPPA has determined there may be economic savings and improved risk management potential associated with modifying Portland's power supply portfolio from a project based configuration to a full requirements approach. The MPPA has formed a Full Requirements Economic Evaluation Service Committee and obtained a proposal from SAIC (formerly RW Beck) to perform an independent third party evaluation for \$72,500 with an estimated additional \$17,500 for MPPA support for a total estimated budget of \$90,000 which is proposed to be allocated to the participating members 50% democratically and 50% based on load so that Portland's share would be \$7,740 if all nine cities participate as recommended by MPPA. The Board of Light and Power met on June 25th and believe this is appropriate and prudent for the City to participate in the Full Requirements Economic Evaluation Service Committee to ascertain if there are sufficient economic savings and improved risk management potential associated with modifying Portland's power supply portfolio from a project based configuration to a full requirements approach and passed a motion recommending the Council approve participation.

Council Member Krause inquired why the Board of Light and Power needs to spend money to save money.

City Manager Dempsey gave a more detailed analysis of the reason for the recommendation from the Board of Light and Power.

Mayor Barnes commented that this is a very complex issue and the Board of Light and Power are the experts in this area and therefore trusts their recommendation. He further stated his belief that it is important to have a seat at the table.

City Manager Dempsey stated the MPPA is recommending participation in this study.

Mayor Pro-Tem VanSlambrouck stated his belief that there is value in participation; knowledge is valuable.

Motion by VanSlambrouck, supported by Calley, to approve Resolution 13-52 approving the Board of Light and Power's recommendation electing to participate in the MPPA's Full Requirements Economic Evaluation Service Committee and authorizing expenditure of Development Funds.

Yeas: VanSlambrouck, Calley, Fabiano, Krause, Barnes
Nays: None
Adopted

The Council considered Resolution 13-53 to approve the Board of Light and Power's recommendation to authorize repair of the 820 kW Cooper Bessemer Generator. On June 18th the City was testing emissions reduction on the catalytic convertors installed on the diesel generators and during the start-up phase of the 820 kW Cooper Bessemer generator a cam follower broke and was forced out of the side of the engine, cracking part of the engine block and ruining a fuel plate with injectors. City Staff have had

the damage assessed by three different metal stitchers that are currently projecting repair costs, including removing and inspecting the push rod to ensure there is no additional damage. The damage is preliminarily assessed at \$75,000. The Board of Light and Power met on June 25th and passed a recommendation that the Council approve repairing the 820 kW Cooper Bessemer generator for an estimated cost of \$75,000.

Motion by Krause, supported by Fabiano, to approve Resolution 13-53 approving the Board of Light and Power's recommendation to authorize repair of the 820 kW Cooper Bessemer generator.

Yeas: Krause, Fabiano, VanSlambrouck, Calley, Barnes

Nays: None

Adopted

The Council considered Resolution 13-54 to confirm the Mayor's appointments to City Boards and Commissions.

Mayor Barnes expressed his appreciation to all of the individuals that serve on City Boards & Commissions.

Motion by Krause, supported by VanSlambrouck, to approve Resolution 13-54 confirming the Mayor's appointments to City Boards and Commissions.

Yeas: Krause, VanSlambrouck, Calley, Fabiano, Barnes

Nays: None

Adopted

Motion by VanSlambrouck, supported by Krause, to go into Closed Session at the end of the meeting to discuss strategy for collective bargaining.

Yeas: VanSlambrouck, Krause, Calley, Fabiano, Barnes

Nays: None

Adopted

Motion by Krause, supported by Fabiano, to approve the Consent Agenda which includes the Minutes and Synopsis from the Regular City Council meeting and the Closed Session held on June 17, 2013, payment of invoices in the amount of \$77,869.88 and payroll in the amount of \$116,644.34 for a total of \$194,514.22; a purchase order to Synagro for biosolids hauling in the amount of \$6,392.10 and to the Portland Area Fire Authority for 1st Quarter fire services in the amount of \$21,059.98.

Yeas: Krause, Fabiano, VanSlambrouck, Calley, Barnes

Nays: None

Adopted

Under Council Comments, Mayor Pro-Tem VanSlambrouck wished everyone a safe and happy July 4th Holiday.

Mayor Barnes commented that he received a letter of thanks from the City of Hastings for hosting them in Portland on Thursday, June 13th for Mayor Exchange.

The Council adjourned to Closed Session at 8:06 P.M.

The Council returned from Closed Session at 8:24 P.M.

The Council considered Resolution 13-55 to approve an agreement between the City of Portland and the City of Portland Employees Chapter of the Governmental Employees Labor Council (GELC). The City Manager met with representatives of the GELC to negotiate terms for a new contract. After several meetings the City Manager and the GELC bargaining committee came to a tentative agreement on terms for a new contract. The City Employees represented by GELC have ratified the changes. City Manager Dempsey recommends the City Council approve the proposal.

Motion by Krause, supported by VanSlambrouck, to approve Resolution 13-55 approving an agreement between the City of Portland and the City of Portland Employees Chapter of the Governmental Employees Labor Council.

Yeas: Krause, VanSlambrouck, Calley, Fabiano, Barnes

Nays: None

Adopted

Motion by Fabiano, supported by Krause, to adjourn the regular meeting.

Yeas: Fabiano, Krause, VanSlambrouck, Calley, Barnes

Nays: None

Adopted

Meeting adjourned at 8:25 P.M.

Respectfully submitted,

James E. Barnes, Mayor

Monique I. Miller, City Clerk