

City of Portland

Portland, Michigan

Minutes of the City Council Meeting

Held on Tuesday, September 4, 2012

In Council Chambers at City Hall

Present: Mayor Barnes, Mayor Pro-Tem VanSlambrouck, and Council Members Fabiano and Krause; City Manager Dempsey; City Clerk Miller; DDA/Main Street Director Reagan; Police Chief Bauer; City Attorney Gorman

Absent: Council Member Calley

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

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

Yeas: VanSlambrouck, Krause, Fabiano, Barnes

Nays: None

Absent: Calley

Adopted

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

City Manager Dempsey also reported that the auditors from Abraham & Gaffney were in last week reviewing all of the City's financial statements. The final audit will be presented to the City Council at the second meeting in November or the first meeting in December.

The Police Officer hired last month turned in her resignation to accept full-time employment with her former employer, Redford Township. Police Chief Bauer contacted the runner up and he is still interested in the position. The City has updated his background investigation and extended a conditional offer of employment pending successful outcomes of the physical and psychological exams. He is expected to start in approximately two weeks.

The interior work on the Hill Street Water Tower has been completed and the tank was placed back in service last Wednesday. A final inspection of the exterior coating has been scheduled for September 7th.

There are three payables included in the Consent Agenda for energy optimization projects. Two incentives for \$165 are for residential projects where the homeowners installed new furnaces with programmable thermostats and the other was a \$400 incentive for a LED lighting project at the Portland Public Schools.

CFL light bulbs are currently being distributed at City Hall. Each customer is eligible to receive 2 light bulbs while available.

City Manager Dempsey stated he has been in contact with MDOT and their contractor for the Bridge Removal/Box Culvert Project to review a proposed work schedule. The goal is to get a schedule where

the shoulder widening work on Grand River Ave. can be done this fall so the actual bridge removal and culvert installation can take place from mid-March and completed by mid-June. This would allow the river trail to be re-opened when school gets out so the heavy summer trail use will not have to cross in front of the westbound exit ramp at Exit 77 off I-96.

Cook Brothers Excavating has addressed the punch list items on the Kent Street Improvement Project. The pavement marking and concrete items are complete. It is expected there will only be one pay request for this project which should be on the Agenda for the next City Council meeting.

The chip seal contractor should be in Portland next week to chip seal Market, Clark, B and H Streets as well as the private streets in the Cherry Hill Condominiums.

City Manager Dempsey presented rate comparisons of Homeworks Tri-County's and Consumers Energy's electric rates against the City's electric rates for the past 5 years in order to measure how the City is doing compared to other regional electric providers.

Under Presentations, Police Chief Bauer stated the Police Department is trying to get more involved with the Schools in addition to the DARE program. With the rising costs of the DARE program the schools have been helping fund the program with fund-raising projects.

Police Chief Bauer stated that he and City Attorney Gorman spoke to the incoming freshman at Portland High School at the orientation with the goal of educating them on the procedures and practices the Police Department uses while in the schools. The goal was also to let the students and parents know the Police Department is there to be of assistance; not to be a threat.

City Attorney Gorman stated the 1-year Anniversary of becoming the City's Attorney is coming up. In speaking with the freshman at Portland High School they are trying to develop open communication and consistency as well as to let the students know that he and the Police Department are available to help. The presentation seems to have been very well received.

Chief Bauer stated the communication with City Attorney Gorman has been excellent over the past year; things having been going very well.

DDA/Main Street Director Reagan gave his report on the Downtown. The 6th Annual Portland Pay Day prize party was held Thursday, August 30th. This year, the promotion helped to keep \$64,500 in local businesses.

The "Wine the Walk" event was held Saturday, August 18th on the Boardwalk with over 500 attendees. The weather was beautiful for the event.

Oktoberfest will take place on Saturday, October 20th. The event will include the Big Beer 5K Run, live entertainment all day, great food from the Grand River Conservation Club, a craft fair, craft beer tasting sessions, and the opportunity to celebrate all things Portland!

Under New Business the Council considered Resolution 12-73 to approve a Premium Sharing Plan that would increase the employees' share of health insurance premiums to come into compliance with the publicly funded Health Insurance Contribution Act, Act 152 of the Public Acts of Michigan 2011. To address the increases in health care costs and the obligations imposed by Michigan Law this resolution increases the employees' share of health care premiums from 10% to 11% for premiums paid after September 1st for coverage until June 30th, 2013. The percentage increases an additional 3% for

premiums paid after July 1st each subsequent year until employees are paying 20% of the premiums for their health insurance. New employees that are hired after the date of this Resolution that are eligible for and opt for health insurance coverage through the City will contribute 20% as premium sharing for health insurance including hospitalization, dental, vision, health savings accounts, and claims tax.

Mayor Barnes thanked City Manager Dempsey and the City Employees for their time and effort in addressing this issue. With the changing economy and pressure for employees in the public sector to share more of the burden for health insurance this was an issue that needed to be addressed.

Motion by Krause, supported by VanSlambrouck, to approve Resolution 12-73 approving a Premium Sharing Plan that increases employee share of health insurance premiums to come into compliance with the publicly funded Health Insurance Contribution Act, Act 152 of the Public Acts of Michigan of 2011.

Yeas: Krause, VanSlambrouck, Fabiano, Barnes

Nays: None

Absent: Calley

Adopted

The Council considered Resolution 12-74 to comply with the provisions of Act 152 of 2011 by exercising the City's Right to exempt itself from the requirements of the Act for the next succeeding year. PA 152 creates a "hard cap" on the amount a public employer may contribute to a medical benefit plan, which includes but is not limited to hospital and physician services, prescription drugs and related benefits. Alternatively, PA 152 provides an option to elect an 80% contribution cap rather than the hard cap, and it contains a provision to allow a local unit but not a school district to opt-out entirely by a 2/3 vote. To lessen the adverse impact on employees, Resolution 12-73 phases in a 10% increase in premium sharing over the next 3 budget years so employees will be contributing 20% of their health care premiums commencing July 1st of 2015. Until the employees' premium sharing is at 20%, the City Council must exempt itself from the requirements of PA 152 to qualify for the maximum amount of Economic Vitality Incentive Payments.

Motion by VanSlambrouck, supported by Krause, to approve Resolution 12-74 to comply with the provisions of Act 152 of 2011 by exercising the City's Right to exempt itself from the requirements of the Act for the next succeeding year.

Yeas: VanSlambrouck, Krause, Fabiano, Barnes

Nays: None

Absent: Calley

Adopted

The Council considered Resolution 12-75 for the Mayor and Clerk to sign the Joint Funding Agreement for the operation of a Streamgaging station. The City's FERC license requires it to jointly fund the operation of a Streamgaging station on the Grand River with the U.S. Geological Survey, U.S. Department of the Interior. This resolution would approve the agreement for 2012-2013 at the same cost as the current contract (\$7,850).

Motion by Krause, supported by VanSlambrouck, to approve Resolution 12-75 approving, authorizing, and directing the Mayor and City Clerk to sign the joint funding agreement for the operation of a streamgaging station.

Yeas: Krause, VanSlambrouck, Fabiano, Barnes

Nays: None

Absent: Calley

Adopted

The Council considered Resolution 12-76 to approve Pay Request No. 1 to Anlaan Corporation in the amount of \$38,322 for work completed through August 25, 2012 on the 2012 Dam Repair Project. The City's Engineer on the project has reviewed the pay request and is recommending its approval.

Motion by VanSlambrouck, supported by Krause, to approve Resolution 12-76 approving Pay Request No. 1 to Anlaan Corporation for work done on the 2012 Dam Repair Project.

Yeas: VanSlambrouck, Krause, Fabiano, Barnes

Nays: None

Absent: Calley

Adopted

The Council considered Resolution 12-77 to approve Change Order No. 1 to the 2012 Dam Repair Project with Anlaan Corporation. The change order would add \$34,860 to the contract for additional concrete work on the Northwest pier wall. The work would cover up the existing pier wall with a new wall to address concerns about spalling concrete. Alternative methods of patching the spalling concrete were evaluated and determined to be as costly as extending the wall. The City Engineer believes the wall extension repair provides more value. Because of a miscommunication between the Engineer and the Contractor, the cost of the Change Order increased from \$30,900 to \$34,860 after the Board of Light and Power made their recommendation to approve it. City Manager Dempsey and Electric Superintendent Hyland recommend the Council approve the Change Order so the work can be done while the Contractor is here.

Motion by Krause, supported by VanSlambrouck, to approve Resolution 12-77 approving Change Order No. 1 to the 2012 Dam Repair Project contract with Anlaan Corporation.

Yeas: Krause, VanSlambrouck, Fabiano, Barnes

Nays: None

Absent: Calley

Adopted

Motion by VanSlambrouck, supported by Krause, to approve the Consent Agenda which includes the Minutes and Synopsis from the Regular City Council Meeting held on August 20, 2012 and the Minutes of the Closed Sessions held on August 6, 2012 and August 20, 2012, payment of invoices in the amount of \$125,271.21 and payroll in the amount of \$128,654.16 for a total of \$253,925.37. There were no purchase orders over \$5,000.00.

Yeas: VanSlambrouck, Krause, Fabiano, Barnes

Nays: None

Absent: Calley

Adopted

Under Council Comments, Council Member Krause thanked City Manager Dempsey for his efforts in the health care negotiations.

Mayor Pro-Tem VanSlambrouck expressed his thanks to City Manager Dempsey as well. He also congratulated Council Member Krause on her recent graduation from Cooley Law School.

Mayor Pro-Tem VanSlambrouck advised there would be a premium raffle prize of a stay in a condominium anywhere in the world, donated by Coldwell Banker, during Oktoberfest.

Mayor Pro-Tem VanSlambrouck also commented that the VFW would start its meal nights on September 14th with a Burger Night featuring live entertainment.

Motion by Fabiano, supported by VanSlambrouck, to adjourn the meeting.

Yeas: Fabiano, VanSlambrouck, Krause, Barnes

Nays: None

Absent: Calley

Adopted

Meeting adjourned at 7:45 P.M.

Respectfully submitted,

James E. Barnes, Mayor

Monique I. Miller, City Clerk