

FARMINGTON CITY COUNCIL
REGULAR MEETING
June 15, 2009

A regular meeting of the Farmington City Council was held on Monday, June 15, 2009, in Council Chambers, 23600 Liberty Street, Farmington, Michigan. Notice of the meeting was posted in compliance with Public Act 267-1976.

The meeting was called to order at 8:05 p.m. by Mayor Knol.

PRESENT: Buck, Knol, McShane, Wiggins, Wright.

ABSENT: None.

CITY ADMINISTRATION: Director Gushman, City Clerk Halberstadt, Director Nebus, City Manager Pastue and Treasurer Weber.

CONSENT AGENDA

06-09-136 MOTION by Wiggins, seconded by Buck, to approve the consent agenda as presented:

- A. Special meeting minutes of May 18, 2009
- B. Regular meeting minutes of May 18, 2009
- C. Special meeting minutes of June 1, 2009
- D. Regular meeting minutes of June 1, 2009
- E. Public Safety Monthly Report – May 2009
- F. City of Farmington Monthly Payments Report – May 2009

MOTION CARRIED UNANIMOUSLY.

APPROVAL OF REGULAR AGENDA

06-09-137 MOTION by Buck, seconded by Wright, to approve the agenda as amended, adding item 7I. *Downtown Development Authority Appointment* under New Business. MOTION CARRIED UNANIMOUSLY.

PRESENTATIONS/PUBLIC HEARINGS

PROMOTIONAL CEREMONY FOR SERGEANT PAUL HOUHANISIN

A ceremony was held in honor of Officer Paul (Bob) Houhanisin's recent promotion to Sergeant.

UNFINISHED BUSINESS

CONSIDERATION TO ADOPT ORDINANCE C-744-2009 TO AMEND CHAPTER 2 OF THE CITY CODE DEALING WITH RETIREE HEALTH CARE CONTRIBUTIONS

06-09-138 MOTION by McShane, seconded by Wiggins, to adopt Ordinance C-744-2009 to amend Chapter 2, Administration, Article V, Employee Benefits, Division 3, Retiree Health Care Plan, Section 2-430, Declaration of Retiree Health Care Fund, of the City Code, in order to change the funding requirements for the Retiree Health Care Fund. [SEE ATTACHED ORDINANCE].

ROLL CALL

Ayes: Knol, McShane, Wiggins, Wright, Buck.

Nays: None.

Absent: None.

MOTION CARRIED UNANIMOUSLY.

CONSIDERATION TO APPROVE COMPREHENSIVE AMENDMENT FISCAL YEAR 2008-09 BUDGET

Wright asked if the \$60,000 for the *Entry Way and Way Finding Signs* was included in the FY2009-10 budget that was approved at the last meeting.

Pastue responded that the item was not included in the FY 2009-10 budget, but could be added if Council was interested in moving forward on the project.

Wright noted the additional \$60,000 would cause a greater deficit for next year's budget.

Pastue responded there would be no net change to the General Fund. He explained there was a transfer from the Capital Improvement Fund to cover the \$60K expense.

Buck thanked Council for allowing the extra study time in regards to his reservations about approving this budget amendment.

Regarding the vacations of Brookdale Court and Valley View Condominiums, Wiggins asked if the improvements had been completed.

Pastue responded that the funding for the improvements has been completed, however there are two items at Brookdale Court that have yet to be completed.

Wright expressed his support for the proposed budget amendment including the the change to a defined contribution plan for retiree health care. He stated this change is moving the City in the right direction.

COUNCIL PROCEEDINGS -3-
June 15, 2009

RESOLUTION 06-09-139 Motion by Wiggins, seconded by Buck, to adopt a resolution approving Budget Amendment No. 1 to the FY 2008-09. [SEE ATTACHED RESOLUTION].

ROLL CALL

Ayes: McShane, Wiggins, Wright, Buck, Knol.

Nays: None.

Absent: None.

MOTION CARRIED UNANIMOUSLY.

NEW BUSINESS

CONSIDERATION TO ADOPT RESOLUTION TO AMEND WATER AND SEWER RATES EFFECTIVE JULY 1, 2009

McShane asked how Farmington compares to other cities regarding administrative charges.

Pastue responded that it is difficult to make a comparison because each city pays for it in a different manner.

McShane questioned if the City was billing appropriately for the time spent.

Pastue responded the administrative costs are being covered.

RESOLUTION 06-09-140 Motion by McShane, seconded by Buck, to adopt a resolution to amend fees associated with water and sewer rates, quarterly LTCISO charge, and quarterly administrative charge, effective July 1, 2009. [SEE ATTACHED RESOLUTION].

ROLL CALL

AYES: Wiggins, Wright, Buck, Knol, McShane.

NAYS: None.

ABSENT: None.

MOTION CARRIED UNANIMOUSLY.

CONSIDERATION TO ACCEPT BIDS FOR SLOCUM STREET RECONSTRUCTION PROJECT AND AWARD CONSTRUCTION CONTRACT

Buck asked regarding the difference between the budgeted and actual bid amount for the construction project.

Pastue responded the City was able to obtain great prices given the state of the economy.

Responding to a question from Knol, Pastue advised the 15 bids received for this project was similar to the number of bids received for the Shiawassee and Power Road projects.

COUNCIL PROCEEDINGS -4-
June 15, 2009

RESOLUTION 06-09-141 Motion by McShane, seconded by Wiggins, to accept bids for the Slocum Street Reconstruction Project and award the construction contract to FDM Contracting Inc., Shelby Township, in the amount of \$624,124.00 and authorize the City Manager to sign the construction contracts on behalf of the City.

ROLL CALL

Ayes: Wright, Buck, Knol, McShane, Wiggins.

Nays: None.

Absent: None.

MOTION CARRIED UNANIMOUSLY.

CONSIDERATION TO APPROVE ESTIMATE NO. 1 FOR THE GRAND RIVER STREETScape AND WATER MAIN IMPROVEMENT PROJECT

RESOLUTION 06-09-142 Motion by Wright, seconded by Wiggins, to approve payment of Construction Estimate No. 1 to Peter A. Basile Sons, Inc. in the amount of \$139,326.48 for the Grand River Streetscape and Water Main Improvement Project.

ROLL CALL

Ayes: Buck, Knol, McShane, Wiggins, Wright.

Nays: None.

Absent: None.

MOTION CARRIED UNANIMOUSLY.

CONSIDERATION TO APPROVE TERMINATION OF EASEMENT AND RIGHT OF WAY

Buck asked if the location of the easement is behind the shopping center.

Gushman replied the easement runs parallel to the rear property line to about midway through the building, then it runs north underneath the existing building up to Grand River and then parallels the main on Grand River.

Buck asked if the residents on Whittaker Court would be impacted. Gushman responded they would not.

RESOLUTION 06-09-143 Motion by Buck, seconded by Wright, to adopt a resolution approving termination of easement and right of way as described in Liber 7310, page 371, Oakland County records. [\[SEE ATTACHED RESOLUTION\]](#).

ROLL CALL

Ayes: Knol, McShane, Wiggins, Wright, Buck.

Nays: None.

Absent: None.

MOTION CARRIED UNANIMOUSLY.

**CONSIDERATION TO RENEW PERSONAL PROPERTY ADMINISTRATION
CONTRACT FOR THE 2010 AND 2011 ASSESSMENT ROLL**

RESOLUTION 06-09-144 Motion by Wiggins, seconded by McShane, to approve renewal of personal property administration contract with the Oakland County Equalization Department for a two-year term beginning July 1, 2009. [SEE ATTACHED AGREEMENT].

ROLL CALL

Ayes: McShane, Wiggins, Wright, Buck, Knol.

Nays: None.

Absent: None.

MOTION CARRIED UNANIMOUSLY.

**CONSIDERATION TO ADOPT RESOLUTION TO IMPLEMENT RETIREE
HEALTH CARE DEFINED CONTRIBUTION PLAN WITH MERS**

Wright asked if the \$25.00 administration fee identified in Addendum A is based on per participant or per period.

Weber responded per participant.

Wright questioned why it doesn't say per participant in the document.

Weber responded that he did not know why it was not stated in the addendum, but it is the understanding with the Michigan Employees Retirement System (MERS).

Wright asked if anyone took the calculation and converted it to what it means in *basis points*. He said typically it is either a percentage or a fee, not both.

Weber responded the reason for both costs is likely the result of MERS administering a two-part plan. The *basis points* are applied to the investment component of the plan and the \$25.00 fee is applied to administering the reimbursement of medical claims.

Wright thought employees cannot access their accounts until they retire.

Weber responded employees can obtain access upon separation from the City which can occur any time.

Pastue noted there shouldn't be any claims for awhile.

Weber noted part of MER's administration of the plan is processing contributions to employee's accounts, issuing statements, etc.

Knol noted the plan states the fee will be deducted from the individual's account.

COUNCIL PROCEEDINGS -6-
June 15, 2009

Buck asked if the 60 *basis points* is an annual fee.

Weber responded it is an annual fee divided by 12 in order to charge on a monthly basis.

Responding to a question from Wiggins, Weber stated he does not know if the \$25.00 fee has been reviewed with employees.

Pastue commented that some of the bargaining unit representatives have met with MERS to gain an understanding of the plan and that would include terms for administration.

RESOLUTION 06-09-145 Motion by Wright, seconded by Wiggins, to adopt a Health Care Savings Program Uniform Resolution with Addendum A and approve MERS Health Care Savings Program Participant Agreements for the POAM Dispatch, AFSCME Public Works, and non-union employees, and authorize the Mayor and City Clerk to sign the agreements on behalf of the City. [\[SEE ATTACHED RESOLUTION\]](#).

ROLL CALL

Ayes: Wiggins, Wright, Buck, Knol, McShane.

Nays: None.

Absent: None.

MOTION CARRIED UNANIMOUSLY.

CONSIDERATION TO ADOPT RESOLUTION TO PLACE CHARTER AMENDMENT PROPOSALS ON THE NOVEMBER 2009 BALLOT

McShane advised the process for amending the Charter is basically a housecleaning effort. She stated some many of the provisions of the charter have not been updated for many years and may cause confusion. She stated the amendments provide greater clarification.

Knol mentioned a detailed explanation of the proposed amendments should be inserted in the September mailing of the water bills.

RESOLUTION 06-09-146 Motion by McShane, seconded by Wiggins, to adopt a resolution to place Charter Amendment Proposals 1 through 11 on the November 2009 ballot as presented. [\[SEE ATTACHED RESOLUTION\]](#).

ROLL CALL

Ayes: Wright, Buck, Knol, McShane, Wiggins.

Nays: None.

Absent: None.

MOTION DECLARED ADOPTED.

COUNCIL PROCEEDINGS -7-
June 15, 2009

**CONSIDERATION TO RATIFY TENTATIVE SETTLEMENT AGREEMENT
WITH COAM, AMENDING CURRENT COLLECTIVE BARGAINING
AGREEMENT**

RESOLUTION 06-09-147 Motion by Buck, seconded by Wiggins, to ratify a tentative settlement agreement with COAM amending current collective bargaining agreement. [SEE ATTACHED AGREEMENT].

ROLL CALL

Ayes: Buck, Knol, McShane, Wiggins, Wright.

Nays: None.

Absent: None.

MOTION DECLARED ADOPTED.

**CONSIDERATION TO APPOINT TO THE DOWNTOWN DEVELOPMENT
AUTHORITY BOARD**

06-09-148 Motion by Wiggins, seconded by McShane, to appoint Charles Frost to the Downtown Development Board of Directors to a four-year term ending February 28, 2013. MOTION CARRIED UNANIMOUSLY.

PUBLIC COMMENT

No public comment was heard.

COUNCIL COMMENT

Wiggins commented it was good to see several members of the Public Safety Department present at the meeting in support of Sergeant Houhanisin.

ADJOURNMENT

06-09-149 MOTION by McShane, seconded by Wiggins, to adjourn the meeting. MOTION CARRIED UNANIMOUSLY.

The meeting adjourned at 8:55 p.m.

Valerie S. Knol, Mayor

Susan K. Halberstadt, City Clerk

APPROVED: July 20, 2009