CITY OF BURTON
REGULAR COUNCIL MEETING MINUTES
AUGUST 17, 1992, 7:30 P.M. COUNCIL CHAMBERS

INVOCATION AND PLEDGE OF ALLEGIANCE WAS LED BY COUNCILPERSON ALTA WALLS.

The Regular Meeting was called to order by Tom Martinbianco, Council President, at 7:35 P.M.

Members Present: Abbey, Cox, Cross, Hammon, Martinbianco, Walls and Zelenko.

Members Absent: None.

Others Present: Mayor Charles H. Smiley; K. McArdle, City Administrator; J. Major, DPW Director; R. Hamilton, City Attorney; C. Ladd, Deputy City Clerk.

Cross moved and Zelenko supported the following motion:

Approve and authorize the minutes of the following meetings: Regular Meeting of August 3, 1992 at 7:30 P.M., as printed. Motion carried 7-0.

ADMINISTRATIVE REPORT:

Mayor Smiley said he has received a request by the four (4) Unions to Open their contracts in regards to the pension monies, and would like Council's position on this request. An executive session may be necessary to discuss this issue.

Mr. Martinbianco asked under what conditions could the contract be opened.

Mr. Hamilton said a modification of the pension plan would be a reason to reopen the existing labor agreements. Council would have to agree to the opening of the contracts for the purposes of discussion and a decision to reopen would have to be made prior to holding an executive session. The purpose of an executive session would be to give direction in regards to the pension plan.

COMMITTEE REPORTS:

Mr. Abbey said at the last Legislative Meeting a decision was made to do nothing in regards to a citizens complaint regarding newspapers on boxes. The Committee needs time to review the site condo ordinance and another meeting will be set. In regards to private drives, the Committee has chosen to operate under the existing agreement and continue to plow private drives until an agreement is reached with the City. There is some discussion of handling these as special assessments and discussions will be held with the administration regarding this issue. In reference to the City's contribution regarding water and sewer maintenance for development, the Committee's recommendations to Council is to change the Ordinance and we will have another meeting after the Administration has Attorney Hamilton review the Ordinance to avoid any future problems.

AUDIENCE PARTICIPATION:

Walter Bellah, 1345 Ives, asked about the special meeting he requested in regards to getting more residents interested in the City meetings.

Ralph LaDuke, 5444 Shamrock Lane, said he represents the Supervisor's Union (SEIU) and is asking the Council to open the contracts for the purpose of addressing changes in the pension plan. He said he hopes this will be a joint effort between the Mayor and Council and he had petitions signed by the employees asking that the contracts be opened. He explained there would be a hold harmless clause and a stipulation that the spouses also have to sign for any change in the plan.

Jim Townsend, 2051 Covert Rd., spoke concerning item #5 on the agenda. He said he doesn't think it is right that the entire paving project is paid for by the federal government and the taxpayers in that area pay nothing. He said he would like a change in this process.

Mr. Martinbianco asked Mr. Major if there was any other outside funding for this project. Mr. Major replied no, the federal government pays 100% of the project.

Ken Wright, said he would like to speak on behalf of the members who are present from the AFSCME, Chapter N Union, as the Chapter Chairperson is not present. The majority of the union is in favor of opening up the contract so they can get their money. We think this is a just request and see no reason for the City to maintain two plans. We are asking the Council to honor our request to open the contracts, along with the other unions in the City.

COUNCIL DISCUSSION:

Mr. Cox said he spoke with Mr. Throop in regards to ditching in the city. The Finance Committee would like to see any plans the DPW may have. Also, as of two meetings previous, the private roads hadn't been graded. Has this been done? He was told yes, but the residents haven't paid as of yet.

Mrs. Zelenko asked if less people participate in the pension plan, would this give those who stay in a lesser rate? She was told no.

Mr. McArdle said everything pending is contingent upon IRS approval.

Mr. Abbey asked if the City had already submitted the request to the IRS.

Mr. McArdle said no. There are three plans to choose from and the consultant thinks the IRS will allow the plan where there is a window period for those who wish to take their money to get it and those who don't, to stay in the plan. We won't know if the IRS will allow this until we submit the plan to the them.

Mr. Hammon asked if the IRS could be approached before Council and was told by

Mr. McArdle that certain steps had to be followed. There will be a meeting with the spouses as they too have to sign a waiver for the funds. We are opening the contracts for the purpose of negotiating only the pension plan.

Mr. Cox said he wants to be certain those who don't want out will not have to pay any fees.

Mr. Hammon questioned the statement holding the City harmless. Mr. Hamilton clarified the statement that the Unions will assume full responsibility for any claims against the City as a result of modification of the unit and pay for this claim.

Mr. Cox questioned item #4 on the agenda and said he would like more information on this item. He asked if it would be cost effective to the sewer lines along the back of the property instead of the road.

Mr. Major said he had a request from a property owner who does not have a sewer in front of their property. The sewer can run from rear around the creek or along Court Street. Any sewer project left to be constructed will be expensive constructions. The owner has been paying for sanitary sewers since the 1960's. There are a few spots throughout the City without sewers.

Mr. Major said he would run a copy of the map of the sewer lines and give each council members a copy.

Mr. Abbey said the Council was aware that the day would come when only the more expensive sewer projects would be left for construction.

Mr. Hammon said he concurs with Mr. Cox.

Mr. Major said the individual wants to have sanitary sewer connected to the business. That is all he presented to the DPW.

Mr. Visser, owner of the property, was in the audience and said he has plans for future project, but is not ready to go public with them as he has nothing to present to this Council.

Mrs. Zelenko questioned why the change in the towing and storage service and if there had been any complaints.

Mayor Smiley said we had two companies and now have four. There are no contracts and we have had no complaints. The City has been mapped out so each company services a certain part of the City.

Mr. McArdle said there have been some complaints on Belsay Road in regards to the wrecker service. The four wrecker companies are: Eastland Shell, Jay Henry's, Burton City Towing and Smitty's Southwest.

Mrs. Zelenko requested a map of which company services which area. All Council members will receive a map.

Mr. Abbey asked if the City recently changed companies to have any body work done on city vehicles. The Mayor was advised that at one time Colonial Collision did the work and now the City uses Bristol Collision.

Mrs. Zelenko asked if there was a problem with Burton Printing that the City now goes to Suburban Printing. Mayor Smiley said only because they are union.

Mr. Cox asked if the decision had to be made at this meeting regarding the pension plan and the opening of the contracts.

Ken Wright said a new law would be going into effect in January, 1993, imposing a 20% penalty vs a 10% penalty if anyone wants to take their money out. This is one of the reasons we are interested in taking our money out. We are uncertain as to what the government will do in the future. He said he would like to see this finalized by the end of September if at all possible as this would give the membership time to make a decision whether to take out or stay in the pension program and also time to make a decision as to where they want to invest their money, prior to the January 1, 1993 deadline.

Mr. LaDuke said the Unions are only asking for the Council to agree to the opening of the contracts and to make this a group choice. We have to come back before the Council for approval.

Mr. Martinbianco said during the entire discussion of the MERS issue, not once was a discussion held in regards to the unions getting out of this plan.

Mr. LaDuke said he was unaware of the MERS issue until the Police raised the situation. He had no idea this would lead to where we are today as this came after the fact.

Mr. Abbey said the Council should do something one way or another and he concurs with the employees to open the contracts for this specific item (pension plan disbursement) only.

Mr. Cross asked that the Council is kept informed of what is happening on this issue. Mr. McArdle said he has no problem with a Council Member attending the meetings.

Mayor Smiley said he would keep the Council President informed and it would be up to him to inform the rest of the Council as to when and where the meetings would be held.

Moved by Abbey, supported by Walls to direct the administration to open Union contracts for the sole purpose of negotiating the distribution of the pension plan only. Motion carried 7-0 with a roll call vote.

Moved by Abbey, supported by Zelenko to go into a closed session after Item #9 on the agenda, under Section 8(e) of the Open Meetings Act. Motion carried 7-0 with a roll call vote.

COUNCIL ACTION:

Cross moved and Abbey supported the following motion:

1. Approve and authorize the Attorney Billing from July 29, 1992 to August 12, 1992 in the amount of $720.00.

Motion carried 7-0.

Zelenko moved and Walls supported the following motion:

2. Approve and authorize the appointment of Ted Hammon as the Official Representative to the MML Annual Business Meeting on Mackinac Island in September and Keith Cox as the Alternate Representative.

Motion carried 7-0.

Cross moved and Abbey supported the following motion:

3. Approve and authorize the acceptance of a paving petition for Brian Circle Lane and Natzke Court, part of Brookwood Estates and Brookwood Estates #1 in Section 1, using alternate paving standards/Option "C" and forward said petitions to the City Assessor for validation of signatures and certification of the percentage in favor of the paving improvements.

Motion carried 7-0.

Hammon moved and Zelenko supported the following motion:

4. Approve and authorize the City Controller/Treasurer to transfer $42,000.00 from the 1992-93 Sanitary Sewer Contingencies to DPW Job #92-003-SS (E. Court Street, Sanitary Sewer Extension - Genesee Road to East and additional footage to Creekwood Trail) for the construction of an 8" sanitary sewer extension.

Motion carried 7-0.

Cross moved and Walls supported the following motion:

5. Approve and authorize the Mayor and Clerk, on behalf of the Burton City Council, to execute exhibits A & B with CHMP as design engineers for DPW Job #92-003-SS.

Motion carried 7-0.

Hammon moved and Abbey supported the following motion:

6. Approve and authorize the City Controller/Treasurer to transfer $306,000.00 from the 1992-93 Water Contingency to Water Capitol Improvements for DPW Job #92-004-W (Belsay Road - Lapeer Road south to Atherton Road) for the construction of a 12" watermain.

Motion carried 7-0.

Cross moved and Abbey supported the following motion:

7. Approve and authorize the Mayor and Clerk, on behalf of the Burton City Council, to execute Exhibits A & B with CHMP as design engineers for DPW Job #92-004-W.

Motion carried 7-0.

Walls moved and Zelenko supported the following motion:

8. Approve and authorize the City Controller/Treasurer to transfer $40,000.00 from the 1992-93 Water Contingency to Water Capitol Improvements for DPW Job #92-003-W (Potter Road-Vassar to West 1260') for the construction of an 8" watermain extension. The present contractor is to give us prices consistent with Vassar Road Watermain bids of 1991 in lieu of sealed bids.

Motion carried 7-0.

Cross moved and Abbey supported the following motion:

9. Approve and authorize the Mayor and Clerk, on behalf of the Burton City Council, to execute Exhibits A & B with CHMP as design engineers for DPW Job #92-003-W.

Motion carried 7-0.

Council adjourned for executive session at 9:07 p.m. and reconvened at 9:40 p.m.

Abbey moved and Walls supported the following motion:

10. Approve and authorize accepting the resolution according to the terms of the mediation for Columbine Avenue litigation.

Motion carried 7-0.

Meeting adjourned at 9:41 P.M.

Respectfully Submitted,

Cheryl M. Ladd, CMC
Deputy City Clerk

CML