

CITY OF BURTON
FINANCE SUB-COMMITTEE MEETING MINUTES
DECEMBER 20, 2010, 6:30 P.M., COUNCIL CHAMBERS
www.burton.mi.us

The Finance Meeting was called to order by Councilman Tom Martinbianco at 6:35 p.m.

MEMBERS PRESENT: Martinbianco, Wells and Zelenko.

MEMBERS ABSENT: None.

OTHERS PRESENT: G. Kray, DPW Director, Fire Chief D. Halstead and Julie Adams, Deputy Clerk.

PURPOSE OF THE MEETING: Discussion and possible recommendations concerning the following:

1. Construction of Fire Station #2; Additions and Renovations to Fire Stations #1 and #3.

PRESENTATION:

Mr. Martinbianco said concerns were raised as to the construction procedure.

AUDIENCE PARTICIPATION:

Craig Stefanko, 9100 Lapeer Rd., said he wanted to give further information relative to the labor agreement handed out by the electrical contractors union. He read the agreement regarding union fees. He requested that THA and the City make certain prevailing wages are paid.

Robert Long, 4222 Lapeer Rd., said this project will be creating middle class jobs and benefits the local economy. Under a PLA the contractor makes exact bids and costs are established for labor.

Gary Isham, 3443 Saxon, believed Mr. Stefanko's figures were incorrect and the proposed sub-list given, figures could change at any time. DCC will perform much of this work. Unless DCC's employees are registered and certified, his personnel who are not certified, will be recognized as journeymen and paid the full rate plus the fringe package. Mr. Isham has been in the industry 34 years and a representative for the carpenters 15 years. He felt Mr. Stefanko's work was substandard on previous projects. The carpenter lays out the footprint of the building. He is not in favor of THA or DCC monitoring prevailing wage. The best people to monitor prevailing wage are the business reps. who are present tonight.

Jay Freeman, 7391 Lennon Rd., said the Board has seen his wage scale package and wants a chance to explain. Every trade works for prevailing wage. We work for what the State of Michigan says they are suppose to pay workers. The employee pays a mandatory 5% of base rate of what the State prevailing wage is. All apprentices must be certified even though many are not. They often get registered but are not in a school.

FINANCE COMMITTEE MINUTES
DECEMBER 20, 2010 / 6:30 P.M.
PAGE 2

Mr. Wells said his intention has always been to have Burton companies involved in this project.

Mr. Freeman said if a PLA is signed, the union with takes nothing out of it. Five percent of gross pay is the union dues.

Mike Lynch, 6371 E. Farrand Rd., President of the GLS Building Trades, said the 5% is totally tax deductible. You can deduct from prevailing wage for fringe benefits.

Mr. Wells said in addition to City Hall there was a committee overseeing a project, which basically opened the checkbook. He does not want this to happen that way.

Jason Orchard, 9100 Lapeer Rd., with DCC Construction, said whether companies bid under prevailing wage and have a total benefit package, they might need union assistance. There is some potential extra cost. A guaranteed sub-list was provided within 24 hours of the bid. He has no problem working under a PLA.

Mr. Martinbianco asked when the project hit the dodge report.

Chief Halstead said when Mr. Isham resided on Council he made certain that projects in the City were done under prevailing wage. He told THA the bids need to be under that requirement.

Mr. Isham mentioned a group of men who met with the Mayor concerning the new builds and renovations of the stations. The Mayor said nothing would happen until Spring. After that meeting, the project hit the "dodge report" and the camp. He is not sure where the lack of communication stems from, but offered his apologies. He said he and other contractors reached out to Administration.

Rick Fuhst, 1208 S. Genesee Rd., has worked many non-union jobs. He would probably not be able to use all the benefits if he was in this position. He saw no benefit of paying certain plans into the union.

John Stapish, PO Box 190134, asked if before and after pictures exist of the stations and what caused these conditions. He asked if employees are taking care of the premises and if they will take care of the station after renovation. He questioned the cost of office equipment.

COMMITTEE DISCUSSION:

Mr. Martinbianco would like both sides to come together to find a resolution. We have qualified general and subcontractors for Station #2. He has yet to see representatives from Usztan LLC at the meetings. They would need to be present when discussions commence regarding a PLA. We need to go through the review and award process and make a decision very soon. He suggested picking a date for a Special Council meeting.

Mr. Wells will contact the men involved and get up to speed.

The Committee agreed to hold a special meeting on the 5th and a potential meeting on the 10th.

Mr. Wells said after the 5th, we might have to go out for another bid, if the architects need to bring costs up to meet the PLA.

Chief Halstead said a special meeting isn't necessary. The bid was received on November 22nd. So this could be voted on January 7th.

Mr. Martinbianco asked who would provide inspection over the project.
Chief Halstead said THA would do onsite material inspections.

COMMITTEE RECOMMENDATIONS: None.

Meeting adjourned at 7:45 pm.

ms