

AGENDA
CITY COUNCIL REGULAR BUSINESS MEETING
CITY OF BRIGHTON
MAY 19, 2016 - 7:30 P.M.
CITY HALL COUNCIL CHAMBERS
200 NORTH FIRST STREET
BRIGHTON, MICHIGAN
TELEPHONE: 810-227-1911 WEBSITE: www.brightoncity.org

Business Meeting - 7:30 PM

1. Call to Order
2. Pledge of Allegiance
3. Roll Call
4. Consider Approval of the Agenda

Consent Agenda Items

5. Approval of Minutes: [Study Session of May 5, 2016](#)
6. Approval of Minutes: Closed Session of May 5, 2016
7. Approval of Minutes: [Regular Meeting of May 5, 2016](#)
8. Acknowledgement of [Quarterly Financial Reports](#)

Correspondence

9. Call to the Public
10. Information for City Customers
11. Receive Updates from Council Member Liaisons to other Boards and Commissions

New Business

12. [Consider Tetra Tech Contract Amendment No. 348 for West Grand River 2017 Mill & Resurface Project Design and Construction Engineering Services.](#)
13. [Consider Authorizing the City Manager to Issue a Purchase Order to DTE Energy for LED Street Light Retrofit Phase II in the Amount of \\$64,680.](#)
14. Conduct Interviews of City Council Vacancy Applicants and Consider an Appointment to Fill the Vacant City Council Position.

Other Business

15. Call to the Public
16. Adjournment

MINUTES OF THE STUDY SESSION OF THE CITY COUNCIL OF BRIGHTON
HELD ON MAY 5, 2016 AT THE BRIGHTON CITY HALL
200 N. 1ST STREET, BRIGHTON, MICHIGAN

STUDY SESSION

The Council conducted a Study Session at 6:31 p.m.

Present were Mayor Muzzin, Mayor Pro-Tem Pipoly, Councilmembers Tobbe, Bohn, Pettengill, Attorneys Burns and Attorney Gabrian and staff: City Manager Nate Geinzer, Gretchen Gomolka, Pamela Stewart ,Jennifer Burke press Noe Hernandez from the Press & Argus, and an audience of 3.

NEGOCIATIONS OF A COLLECTIVE BARGINING AGREEMENT CLOSED SESSION

It was moved by Mayor Pro Tem Pipoly and seconded by at Councilmember Bohn to go into closed session at 6:32 connected with the negotiation of a collective bargaining agreement and to receive privileged attorney client communications pursuant to MCL15.268(c & h). A roll call was taken: Yes: Mayor Muzzin, Mayor Pro-Tem Pipoly, Councilmembers Tobbe, Bohn, Pettengill, No: none. Absent: Gardner

It was moved by Councilmember Bohn and seconded by Councilmember Pettengill to come out of Closed Session at 7:25 pm.

ADJOURNMENT

It was moved by Bohn, seconded by Pettengill to adjourn the meeting at 7:25 p.m. Motion passed 5-0-1.

Pamela Stewart, Acting City Clerk

James Muzzin, Mayor

MINUTES OF THE MEETING OF THE CITY COUNCIL OF BRIGHTON
HELD ON MAY 5, 2016 AT THE BRIGHTON CITY HALL
200 N. 1ST STREET, BRIGHTON, MICHIGAN

REGULAR SESSION

Mayor Muzzin called the regular meeting to order at 7:30 p.m. Following the Pledge of Allegiance, the roll was called. Present were Mayor Muzzin, Mayor Pro-Tem Pipoly, Councilmembers Bohn, Tobbe, and Pettengill. Also in attendance were Attorney Paul Burns, Labor Attorney Dennis Gabrian and Staff members: City Manager Nate Geinzer, Police Chief Wightman, Pamela Stewart, Dave Blackmar, Tim Krugh and an audience of 7. Press and media included Noe Hernandez from the Press & Argus and Tom Tolen from WHMI.

It was moved by Councilmember Bohn and seconded by Councilmember Pettengill to excuse Councilmember Gardner.

AGENDA APPROVAL

It was moved by Mayor Pro-Tem Pipoly seconded by Tobbe to approve the agenda as amended. Adding 5a. Approval of the Study Session Minutes and 5b. Approval of Closed Session Minutes from April 21, 2016.

Motion passed 5-0-1.

CONSENT AGENDA

MINUTE APPROVAL

Approve the Regular Meeting minutes, Study Session minutes, and Closed Session minutes of April 21, 2016 as presented.

It was moved by Mayor Pro Tem Pipoly, seconded by Councilmember Tobbe to approve the consent agenda
Motion passed 5-0-1

CALL TO THE PUBLIC

Mayor Muzzin opened the Call to the Public at 7:35 p.m. Hearing none, the Call to the Public was closed at 7:35 p.m.

CITY CUSTOMER INFORMATION AND BOARD UPDATES

Manager Geinzer gave an update on the Farmer's Market which starts Saturday May 7, 2016.

Tom Wightman gave an update on the Drug Take Back Day. He stated police gathered 136 pounds of unused medications to dispose of properly.

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Councilmember Bohn gave an update on various emails received: the legality of using a golf cart on City Streets, the addition of the Study Session, and potential reduction in retiree benefits. He responded that reviewing these benefits was smart for all involved.

Councilmember Pettengill reported that the Imagination Station had a record number of 138 volunteers. The Historic Cemetery Clean up set for May 7 from 9-12.

Councilmember Tobbe gave an update on the BACC. They are working on a new event and more details will be available at the next meeting.

PUBLIC HEARING YEAR 15-16 CITY BUDGET

CALL TO PUBLIC for PUBLIC HEARING:

Dave Gajda, 1650 Whispering Oaks, 20 year resident and former Finance Director for the City of Brighton, commented on retiree health care and suggested the City establish a dialogue with retirees before making any changes.

Councilmember Bohn stated he was not comfortable with the proposed budget. He addressed concerns related to revenue, expenses, amount available to place in a commitment fund balance. It was suggested to defer spending and new hires until after union negotiations. He commented that any large machine purchase should be postponed so that the new leadership could have more time to review the budget. He suggested waiting until the Finance Director and the City Manager have more time, then implement changes with budget amendments.

Councilmember Tobbe agreed with Councilmember Bohn's reservations. Mayor Pro Tem Pipoly said he agreed with Tobbe and Bohn but thought Manager Geinzer had a handle on it.

It was the consensus of the Council to move forward with the approval with some suggested changes.

Mayor Muzzin stated that official changes include:

Adding back to funds to cover health care deductible of \$28,500 for retirees.

Reduce community promotions expense by \$6,500.

Reduce major streets for sidewalk repair by \$6,500

Use \$15,500 surplus

It was moved by Councilmember Tobbe, seconded by Mayor Pro Tem Pipoly to approve Resolution 16-04 Adopting the 2016-17 City Budget.

Councilmember Bohn added a friendly amendment that they approve with the stipulations as discussed, waiting on filling non-essential positions, doing large purchases, and not going forward on the sea wall and review once labor negotiations are complete.

Yes: Bohn, Pettengill, Muzzin, Tobbe, Pipoly No: None Absent: Gardner Motion passed 5-0-1

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NEW BUSINESS

It was moved by Mayor Pro Tem Pipoly , supported by Pettengill to approve Resolution 16-05 Adopting 2016-17 Millage Rates.

Yes: Bohn, Pettengill, Muzzin, Tobbe, Pipoly No: None Absent: Gardner
Motion passed 5-0-1

Councilmember Bohn was concerned about the fees regarding copies listed in the fee schedule. Mayor Muzzin suggested that the City clean up the schedule. It was moved by Mayor Pro Tem Pipoly, supported by Tobbe to approve Resolution 16-06 Adopting the 2016-17 Fee Schedule.

Yes: Bohn, Pettengill, Muzzin, Tobbe, Pipoly No: None Absent: Gardner
Motion passed 5-0-1

LETTER FROM U OF M

Mayor Muzzin read a letter from T. Anthony Deeton from U of M Health Systems. He expressed his appreciation for the City's warm reception on April 7th, 2016 concerning their building of a new health care facility in the City of Brighton.

CALL TO THE PUBLIC

Mayor Muzzin opened the Call to the Public at 8:04 p.m. Hearing none, the Call to the Public was closed at 8:04 p.m.

ADJOURNMENT

It was moved by Councilmember Tobbe, seconded by Pettengill to adjourn the meeting at 8:04 p.m. Motion passed 5-0-1.

Pamela Stewart, Acting City Clerk

James Muzzin, Mayor



CITY OF BRIGHTON
REPORT FROM THE CITY MANAGER TO CITY COUNCIL
MAY 9, 2016

SUBJECT: QUARTERLY INVESTMENT REPORT AT OF MARCH 31, 2016

ADMINISTRATIVE SUMMARY

- The City's total investment/bank balance has decreased by \$3,096,104 or 37.3% over last quarter to \$5,199,137.
- This decrease follows the normal cash flow of the City as the majority of tax revenue is collected in the first quarter of the fiscal year, while expenditures tend to be constant throughout the year.
- Compared to the same quarter a year ago, the City's total investment/bank balance has increased by \$143,597 or 2.8%.
- The City's average rate of return on investments has increased from 0.67% to 0.84% over the last quarter, primarily due to a higher interest rate on our largest savings account.
- The City continues to earn more than the benchmark 3-month Treasury Bill Rate and the Fed Funds Rate.
- The City's deposits/investments with Flagstar Bank and Chief Financial Credit Union total 24% and 31%, respectively, of the City's overall portfolio.
- Attached you will find the quarterly investment report per the Adopted Investment Policy (also attached). We continue to work within the primary objectives of the City's Investment Policy, which prioritizes safety, liquidity, and return on investment.

Prepared by: Gretchen M. Gomolka, Finance Director

Approved by: Nate Geinzer, City Manager

MEMORANDUM

To: City Council
From: Laura Hoshaw, Treasurer 
Subject: Quarterly Investment Report
Date: May 2, 2016



The City of Brighton currently has 34% of all investments held in 8 Certificates of Deposit (CDs) with various Michigan banks maturing in 9-months or less. The interest rates of these outstanding CDs range from .65% to a maximum of 1.00% and vary in amounts from \$250,000 to \$253,648. Investment in CDs protects interest revenue from market declines in the money market accounts. The general fund currently holds 7 CDs in the amount of \$1,755,427. The Utilities Reserve fund holds 1 CD in the amount of \$251,521. Staggering investment maturities provides an on-going steady interest income and also helps fund future accounts payable and payroll.

The remaining 66% of our total investments are providing .15% to 1.2% interest rates on our money market, savings, and checking accounts held at various financial institutions. These funds are completely liquid in nature and are available to use on demand. CDs require a penalty in interest; normally one month is forfeited, if they are needed prior to their maturity. Municipalities are allowed to only use Michigan banks for investment purposes.

March was another strong month for the U.S. labor market, as jobs and wage growth increased more than expected. There were 215,000 jobs added according to the Bureau of Labor Statistics. The unemployment rate dipped to 4.9% for January & February then returned to 5% where it had been since October.

Inventory of all homes for sale is down more than 35% over the last four years. Selling one's home will be easier, but buying the next one may be more difficult. We are in a time of short supply which is great news for sellers because they will likely be faced with multiple offers due to lower inventory. On the flipside, it's not so great for people looking to purchase a home when demand is greater than supply.

Despite being in the midst of a so-called recovery, the global economy still appears to be in a recession. American workers aren't benefitting from the bull market. Underemployment remains high, inflation is much higher than the U.S. government's official tally, a third of Americans have no emergency savings, and most worry more about their finances than anything else. It is possible that the world's largest economy will face its biggest challenge this year. Most of Wall Street thinks the U.S. is heading in the right direction, but there are more than enough indicators to suggest the U.S. economy will come under serious pressure in 2016.

The Federal Reserve not only refrained from raising interest rates at its March meeting, but it indicated that it would almost certainly raise rates at an even slower pace than it previously expected. This is a break from its outlook of just three months ago when it raised its benchmark rate at the December meeting and laid out the path for "policy normalization." The Fed has been talking about normalizing rates for several years now, so it's rather jarring that just a few months after it starts doing just that, it handcuffs its own policy.

CITY OF BRIGHTON
 QUARTERLY INVESTMENT REPORT
 AS OF MARCH 31, 2016

<u>Investment Account</u>	<u>Account Balance</u>	<u>Maturity Date</u>	<u>Current % Interest Rate</u>	<u>Average R.O.R.</u>
TALMER BANK & TRUST-Juvenile	1,991	Immediate	0.00%	0.00%
Total Talmer Bank & Trust	1,991			
1ST NATIONAL BANK	20,488	Immediate	0.15%	0.00%
Total 1st National Bank	20,488			
FIRST NATIONAL BANK OF AMERICA	231,262	Immediate	0.50%	0.02%
Total First National Bank of America	231,262			
FLAGSTAR BANK-Refundable Deposit	402,044	Immediate	0.55%	0.04%
FLAGSTAR BANK-Combined Savings	621,584	Immediate	0.55%	0.07%
FLAGSTAR BANK-Flexible Spending	11,848	Immediate	0.35%	0.00%
FLAGSTAR BANK-A/P Checking	231,214	Immediate	0.40%	0.02%
Total Flagstar Bank	1,266,690			
CHIEF FINANCIAL CREDIT UNION-Platinum Sav	1,619,045	Immediate	1.20%	0.37%
Total Chief Financial Credit Union	1,619,045			
INDEPENDENT BANK UTILITY LB-Checking	2,607	Immediate	0.00%	0.00%
INDEPENDENT BANK UTILITY LB-MM	50,057	Immediate	0.20%	0.00%
Total Independent Bank	52,664			
CD-CRESTMARK BANK	250,000	02/04/15	0.95%	0.05%
CD-THE STATE BANK	253,648	09/11/15	0.75%	0.04%
CD-THE PRIVATE BANK & TRUST	250,000	07/01/16	0.70%	0.03%
CD-STERLING BANK & TRUST	250,000	06/06/16	0.77%	0.04%
CD-HURON VALLEY STATE BANK	251,779	08/15/15	0.65%	0.03%
CD-ANN ARBOR STATE BANK	251,521	07/30/15	1.00%	0.05%
CD-ANN ARBOR STATE BANK	250,000	05/13/15	1.00%	0.05%
CD-TALMER BANK & TRUST	250,000	05/27/15	0.70%	0.03%
Total Certificate of Deposits	2,006,948			
TOTAL	5,199,137		10.42%	0.84%
Three Month Treasury Bill Rate*				0.30%
Average Fed Funds Rate**				0.36%
City's Avg. R.O.R. over/(under) the 3-month T-Bill Rate				0.54%
City's Avg. R.O.R. over/(under) the Avg. Fed Funds Rate				0.48%



CITY OF BRIGHTON
REPORT FROM THE CITY MANAGER TO CITY COUNCIL
MAY 19, 2016

SUBJECT: CONSIDER TETRA TECH CONTRACT AMENDMENT NO. 348 FOR WEST GRAND RIVER 2017 MILL AND RESURFACE PROJECT DESIGN AND CONSTRUCTION ENGINEERING SERVICES

ADMINISTRATIVE SUMMARY

- The City contracts with Tetra Tech, formerly McNamee, Porter and Seeley, INC., for engineering services under a master contract dated October 1, 1995.
- Contract amendments are brought to City Council for approval as new projects and/or services are identified and fall outside of the original scope of work.
- Contract Amendment No. 348 is for design and construction engineering services for the milling and resurfacing of West Grand River. The project scope extends from the I 96 overpass to the bridge at Ore Creek.
- Budgeted Services:
 - Design \$47,000
 - Construction \$75,000
 - A full scope of services is outlined in the attached letter dating April 7, 2016.
- The total project is estimated at \$1.1 million with \$800,000 in federal aid and \$300,000 coming from the DDA.
- Construction will begin in Summer/Fall 2017.

RECOMMENDATION

It is recommended that City Council authorize the City Manager to execute Tetra Tech Contract Amendment No. 348 for West Grand River Project Design and Construction Engineering.

Prepared and

Approved by: Nate Geinzer, City Manager



CITY OF BRIGHTON
REPORT FROM THE CITY MANAGER TO CITY COUNCIL
MAY 19, 2016

SUBJECT: DTE ENERGY PURCHASE AGREEMENT FOR LED STREET LIGHT CONVERSION

ADMINISTRATIVE SUMMARY

- This is the second phase of a three-phase program to convert all DTE-owned Street Lights in the City of Brighton to LED. Last year the City converted 193 of the 698 lights.
- Please see the attached map showing which lights are being proposed to be converted in this phase.
- This phase of the project will include the conversion of 245 lights at a total cost of \$64,680 and will be eligible for \$4,893 in rebates from DTE.
- In addition to the street light savings costs, another benefit to LED street lighting is improved aesthetics and safety for drivers and pedestrians. LED lighting provides a crisp, clean illumination that provides more enhanced lighting than current high pressure sodium lighting.
- The remaining 260 lights are planned to be changed out in the summer of 2017.
- \$15,000 has been budgeted in 16/17 Major Streets Fund with the remainder being borrowed from the Utilities Reserve Fund. The estimated annual electric cost savings is \$13,287.47. This annual savings will be used to help reimburse the Utilities Reserve Fund over the next three (3) years.

RECOMMENDATION

It is recommended that City Council authorize the City Manager to issue a purchase order to DTE Energy for LED Street Light Retrofit Phase II in the amount of \$64,680.

Prepared by: Dave Blackmar, DPW Director

Approved by: Nate Geinzer, City Manager

Exhibit A to Master Agreement

Purchase Agreement

This Purchase Agreement (this "Agreement") is dated as of May 5, 2016 between The Detroit Edison Company ("Company") and City of Brighton ("Customer").

This Agreement is a "Purchase Agreement" as referenced in the Master Agreement for Municipal Street Lighting dated February 27, 2014 (the "Master Agreement") between Company and Customer. All of the terms of the Master Agreement are incorporated herein by reference. In the event of an inconsistency between this Agreement and the Master Agreement, the terms of this Agreement shall control.

Customer requests the Company to furnish, install, operate and maintain street lighting equipment as set forth below:

1. DTE Work Order Number:	45260435	
	If this is a conversion or replacement, indicate the Work Order Number for current installed equipment: N/A	
2. Location where Equipment will be installed:	2016 High Pressure Sodium to LED Conversion Project, as more fully described on the map attached hereto as <u>Attachment 1</u> .	
3. Total number of lights to be installed:	245	
4. Description of Equipment to be installed (the " <u>Equipment</u> "):	<u>Overhead (OH)</u> 21 – 70 watt High Pressure Sodium to 65 watt LED 102 – 100 watt High Pressure Sodium to 65 watt LED	
	<u>Underground (UG)</u> 122 – 100 watt High Pressure Sodium to 65 watt LED	
5. Estimated Total Annual Lamp Charges	\$52,671.00	
6. Computation of Contribution in aid of Construction (" <u>CIAC Amount</u> ")	Total estimated construction cost, including labor, materials, and overhead:	\$64,680.00
	Credit for 3 years of lamp charges:	N/A
	CIAC Amount (cost minus revenue)	\$64,680.00
7. Payment of CIAC Amount:	Due promptly upon execution of this Agreement	
8. Term of Agreement	5 years. Upon expiration of the initial term, this Agreement shall continue on a month-to-month basis until terminated by mutual written consent of the parties or by either party with thirty (30) days prior written notice to the other party.	
9. Does the requested Customer lighting design meet IESNA recommended practices?	(Check One) <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO If "No", Customer must sign below and acknowledge that the lighting design does not meet IESNA recommended practices Signature: _____	
10. Customer Address for Notices:	City of Brighton 420 S Third Brighton, MI 48116	

11. Special Order Material Terms:

All or a portion of the Equipment consists of special order material: (check one) YES NO

If "Yes" is checked, Customer and Company agree to the following additional terms.

A. Customer acknowledges that all or a portion of the Equipment is special order materials ("SOM") and not Company's standard stock. Customer will purchase and stock replacement SOM and spare parts. When replacement equipment or spare parts are installed from Customer's inventory, the Company will credit Customer in the amount of the then current material cost of Company standard street lighting equipment.

B. Customer will maintain an initial inventory of at least N/A posts and N/A luminaires and any other materials agreed to by Company and Customer, and will replenish the stock as the same are drawn from inventory. Costs of initial inventory are included in this Agreement. The Customer agrees to work with the Company to adjust inventory levels from time to time to correspond to actual replacement material needs. If Customer fails to maintain the required inventory, Company, after 30 days' notice to Customer, may (but is not required to) order replacement SOM and Customer will reimburse Company for such costs. Customer's acknowledges that failure to maintain required inventory could result in extended outages due to SOM lead times.

C. The inventory will be stored at _____.
Access to the Customers inventory site must be provided between the hours of 9:00 am to 4:00 pm, Monday through Friday with the exceptions of federal Holidays. Customer shall name an authorized representative to contact regarding inventory: levels, access, usage, transactions, and provide the following contact information to the Company:

Name: _____ Title: _____

Phone Number: _____ Email: _____

The Customer will notify the Company of any changes in the Authorized Customer Representative. The Customer must comply with SOM manufacturer's recommended inventory storage guidelines and practices. Damaged SOM will not be installed by the Company.

D. In the event that SOM is damaged by a third party, the Company may (but is not required to) pursue a damage claim against such third party for collection of all labor and stock replacement value associated with the damage claim. Company will promptly notify Customer as to whether Company will pursue such claim.

E. In the event that SOM becomes obsolete or no longer manufactured, the Customer will be allowed to select new alternate SOM that is compatible with the Company's existing infrastructure.

F. Should the Customer experience excessive LED equipment failures, not supported by LED manufacturer warrantees, the Company will replace the LED equipment with other Company supported Solid State or High Intensity Discharge luminaires at the Company's discretion. The full cost to complete these replacements to standard street lighting equipment will be the responsibility of the Customer.

12. Experimental Emerging Lighting Technology (“EELT”) Terms:

All or a portion of the Equipment consists of EELT: (check one) YES NO

If “Yes” is checked, Customer and Company agree to the following additional terms.

A. The annual billing lamp charges for the EELT equipment has been calculated by the Company are based upon the estimated energy and maintenance cost expected with the Customer’s specific pilot project EELT equipment. .

B. Upon the approval of any future MPSC Option I tariff for EELT street lighting equipment, the approved rate schedules will automatically apply for service continuation to the Customer under Option 1 Municipal Street Lighting Rate, as approved by the MPSC. The terms of this paragraph B replace in its entirety Section 7 of the Master Agreement with respect to any EELT equipment purchased under this Agreement.

Company and Customer have executed this Purchase Agreement as of the date first written above.

Company:

Customer:

The Detroit Edison Company

City of Brighton

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

The City of Brighton - Option 1 Streetlights - Map Sheet Index

