

CITY COUNCIL MEETING MINUTES FROM NOVEMBER 17, 2009

The Regular Meeting was called to order by Mayor Strazdas at 7:30 p.m.

Mayor Strazdas introduced St. Michael Lutheran Church of Portage School Principal Greg Johnson, who gave the invocation, and the City Council and the audience recited the Pledge of Allegiance.

CURRENT COUNCIL:

ROLL CALL: The City Clerk called the roll with the following members present: Councilmembers Elizabeth A. Campbell, Margaret E. O'Brien, Claudette S. Reid, Terry R. Urban and Ted W. Vlieg, Mayor Pro Tem Edward J. Sackley and Mayor Peter J. Strazdas. Also in attendance were City Manager Maurice S. Evans, City Attorney Randall L. Brown and City Clerk James R. Hudson.

APPROVAL OF MINUTES: Motion by O'Brien, seconded by Reid, to approve the November 3, 2009 Regular Meeting Minutes as presented. Upon a voice vote, motion carried 7 to 0.

BOARD OF CANVASSERS REPORT: City Clerk James Hudson provided the Board of Canvassers Report for the November 3, 2009 General City Election.

STATEMENTS OF COUNCIL: Councilmember Reid reflected on her campaign, thanked her family and friends, the changes that have taken place in her personal life and resultant professional growth, thanked City Council and expressed a special thanks to her deceased husband whom she credited with getting her into politics.

Councilmember Urban reflected that he had been a part of six City Councils in addition to his years spent at the controls of the Cable Access camera at City Council Meetings. He reflected that in all of the many proceedings in which he had participated, there had been a wide variety of views expressed, discussed and debated always with the best interest of the City of Portage in mind and in a collegial, professional and respectful manner. He expressed a special appreciation for the last City Council.

Councilmember Vlieg expressed a personal congratulation to all of City Council, especially for their level of professionalism, and personally congratulated Councilmember-elect Patricia Randall.

Mayor Strazdas reiterated Councilmember Urban's remark that this City Council was collegial, respectful, professional and hard-working. He indicated that the City of Portage has the highest bond rating in the region which has been obtained through fiscal responsibility and prudent planning.

ADJOURNMENT SINE DIE OF RETIRING CITY COUNCIL: Mayor Strazdas adjourned the meeting sine die.

NEW COUNCIL:

OATH OF OFFICE AND SEATING OF MAYOR AND COUNCILMEMBERS: The City Clerk administered the Oath of Office to Patricia M. Randall, Claudette S. Reid, Edward J. Sackley and Terry R. Urban as Councilmembers and to Peter J. Strazdas as Mayor.

SIGNING OF THE CITY COUNCIL CODE OF ETHICS AND VALUES POLICY: Councilmembers Elizabeth A. Campbell, Margaret E. O'Brien, Patricia M. Randall, Claudette S. Reid, Edward J. Sackley and Terry R. Urban and Mayor Peter J. Strazdas signed the Ethics and Values Policy.

SEATING OF MAYOR AND COUNCILMEMBERS: At the invitation of Mayor Strazdas, City Councilmembers took their respective seats at the dais.

Meeting was called to order by Mayor Strazdas at 7:44 p.m.

ROLL CALL OF NEW COUNCIL: The City Clerk called the roll with the following members present: Councilmembers Elizabeth A. Campbell, Margaret E. O'Brien, Patricia M. Randall, Claudette S. Reid, Edward J. Sackley, Terry R. Urban and Mayor Peter J. Strazdas. Also in attendance were City Manager Maurice S. Evans, City Attorney Randall Brown and City Clerk James R. Hudson.

ELECTION OF MAYOR PRO-TEMPORE: Mayor Strazdas entertained a motion for the nomination of the Mayor Pro Tempore. Councilmember Reid nominated Edward J. Sackley as Mayor Pro Tempore. Councilmember O'Brien seconded the nomination. Upon a roll call vote, Edward J. Sackley was elected Mayor Pro Tempore by a vote of 7 to 0.

ADOPTION OF RULES OF ORDER AND PROCEDURE: At the request of Mayor Strazdas, City Clerk Hudson explained the purpose of the Rules of Order and Procedure and that the proposed Rules of Order and Procedure are the same as in the past. Motion by O'Brien, seconded by Sackley, to adopt the Rules of Order and Procedure as presented. Upon a roll call vote, motion carried 7 to 0.

PROCLAMATION:

RESOLUTION OF RESPECT FOR MAYOR PRO TEM TED W. VLIEK, SR.: Mayor Strazdas issued a Resolution of Respect for former Mayor Pro Tem Ted W. Vliek on behalf of City Council, the City Manager and himself.

Councilmembers O'Brien, Campbell, Reid and Urban, City Manager Evans, Mayor Pro Tem Sackley and Mayor Strazdas expressed their appreciation to former Councilmember Vliek for all that he has done for the city in his many capacities with the City of Portage over the years.

Councilmember Vliek responded that he was humbled and overwhelmed as he did not feel he had done that much, and that his service on City Council was a high point in his life. He expressed his admiration for City Council as they provide solid support for the Portage Community and maintain the highest level of fiscal responsibility. He commented on the exceptional Standard and Poors rating, infrastructure and streets systems, the Portage Parks, the well-trained and totally committed city staff members, the improvements in the leaf and brush pick-up program, the improved working relationships with surrounding municipalities, and the expansion of the industrial tax base. He warned of the challenges that will face City Council in the coming years because of the shrinking tax base, unemployment and homelessness and expressed his confidence in their grit, resolve and determination to get the job done right.

INTRODUCTION OF GUESTS: Mayor Strazdas recognized various elected officials in the audience, including Kalamazoo County Sherriff Richard Fuller and Under Sherriff Paul Matyas, State Representative Larry DeShazor, State Representative Robert Jones, State Representative Tonya Schuitmaker, former State Representative Chuck Perricone, former Mayor Betty Ongley, former Mayor James Graham, former Mayor Pro Tem Ted W. Vliek, Sr., and Kalamazoo City Commissioner David Anderson.

COMMENTS FROM NEW COUNCIL: Councilmember Campbell indicated that this City Council was an historical first with four women elected.

Councilmember Reid welcomed Councilmember Randall and indicated she was looking forward to getting to know her.

Referring to the fiscal challenges facing the City of Portage, Councilmember Urban indicated that the next year, two, three or four, could be the most difficult years he will have ever served on City Council.

Councilmember Randall thanked the citizens who supported her in her bid for City Council and stressed that she would work for integrity, accountability and transparency in Portage city government. She also requested appointment on any City Council Ad Hoc Committees that would review property taxes, or review service delivery to our shareholders here at Portage City Hall. She informed the public that her contact information would be in the next *Portager* and invited the public to contact her with any issue they might have at her home address, 6702 Oleander Lane, at her e-mail address, patricia.randall@portagemi.gov or at her home telephone number, 269/324-7779.

Councilmember O'Brien recognized all of the quality candidates who ran for City Council and personally thanked Planning Commissioner Cory Bailes, who was present. She also congratulated Councilmembers Randall, Reid and Urban and Mayor Pro Tem Sackley for a successful election campaign for City Council. She also thanked her husband and her children for allowing her to take the time to serve as a City Councilmember.

Mayor Pro Tem Sackley welcomed Councilmember Randall to City Council, reflected on the enormous time commitment required for a City Councilmember and his or her family life. He also commended the City staff as incredibly motivated, A-1, top-notch people who have proven themselves for 46 years.

Mayor Strazdas welcomed Councilmember Randall and thanked those citizens who encouraged him to run for Mayor and supported him during his campaign and recognized his wife, Sharon, and his family for their consideration.

STATEMENTS OF CITIZENS AND GUESTS: Former Mayor Betty Lee Ongley extended her congratulations to the newly elected City Council and Mayor Strazdas, recalled her first election when she was the only woman on City Council, and expressed her pride in one of her former Junior High School students, Councilmember Campbell, who recognized that this election made history with four women serving as City Councilmembers. She complimented the excellence of City Manager Maurice Evans, thanked City Attorney Randy Brown for his service and indicated that City Clerk James Hudson will always be there to help when needed.

State Representative Tonya Schuitmaker, joined by State Representative Larry DeShazor and State Representative Robert Jones, thanked Councilmember Vliek for his service, congratulated the newly elected Mayor and Councilmembers and State Representative Jones emphasized the tough challenges ahead for the region, but expressed assurances that the region will continue to lead the state.

Kalamazoo City Commissioner David Anderson expressed warm congratulations from the Kalamazoo City Commission and emphasized a commitment to continue to cooperate and to work together to face the challenges to come.

Kalamazoo County Sherriff Richard Fuller thanked City Council for their hard work and their drive for excellence since these efforts produced his Under Sherriff, Paul Matyas, who is a retired Police Officer from the City of Portage and who Sherriff Richard Fuller indicated has proven himself to be a great Under Sherriff.

ADJOURN FOR A RECEPTION OF NEW COUNCIL: 8:20 p.m.

RECONVENE OF NEW COUNCIL: 8:37 p.m.

* **CONSENT AGENDA:** Mayor Strazdas asked Councilmember Campbell to read the Consent Agenda. Motion by Urban, seconded by Reid, to approve the Consent Agenda motions as presented. Upon a roll call vote, motion carried 7 to 0.

* **APPROVAL OF CHECK REGISTER OF NOVEMBER 17, 2009:** Motion by Urban, seconded by Reid, to approve the Check Register of November 17, 2009. Upon a roll call vote, motion carried 7 to 0.

REPORTS FROM THE ADMINISTRATION:

* **CITY ORDINANCE AMENDMENT:** Motion by Urban, seconded by Reid, to accept for first reading the proposed amendment to the City of Portage Code of Ordinances by adding Article 7, Indiana & Michigan Power Company Electric Franchise to Chapter 14, Businesses, Section 14-192 through 14-202, approve the Resolution to introduce and place the ordinance on file for public inspection and consider final adoption on January 12, 2010. Upon a roll call vote, motion carried 7 to 0. Resolution recorded on page 389 of City of Portage Resolution Book No. 43.

* **AT&T ANALOG CIRCUIT DATA LINE SERVICES AGREEMENT:** Motion by Urban, seconded by Reid, to approve the continuation of the service contract with AT&T for analog circuit data line services through November 2011, in the annual amount of \$24,036 and authorize the City Manager to execute all documents related to this contract on behalf of the city. Upon a roll call vote, motion carried 7 to 0.

* **RENEWAL OF AGREEMENT WITH KALAMAZOO REGIONAL CHAMBER OF COMMERCE:** Motion by Urban, seconded by Reid, to approve the renewal of the Agreement between the City of Portage and the Kalamazoo Regional Chamber of Commerce and authorize a contribution of \$15,000 toward the city's continued participation in the Southwest Michigan Alliance. Upon a roll call vote, motion carried 7 to 0.

* **TREYSTAR HOLDINGS, LLC, BROWNFIELD REDEVELOPMENT PLAN NO. 6, PORTAGE ROAD:** Motion by Urban, seconded by Reid, to accept the City of Portage Brownfield Redevelopment Plan, with a revised Brownfield Plan Amendment No. 6 for 8019 Portage Road, and set a public hearing for December 15, 2009, at 7:30 p.m. or as soon thereafter as may be heard. Upon a roll call vote, motion carried 7 to 0.

* **2010 CITY COUNCIL MEETING SCHEDULE:** Motion by Urban, seconded by Reid, to establish the 2010 Schedule of Regular City Council Meetings. Upon a roll call vote, motion carried 7 to 0.

* **OCTOBER 2009 SUMMARY ENVIRONMENTAL ACTIVITY REPORT – INFORMATION ONLY:** Motion by Urban, seconded by Reid, to receive the communication from the City Manager regarding the October 2009 Summary Environmental Activity Report as information only. Upon a roll call vote, motion carried 7 to 0.

* **DEPARTMENT MONTHLY OPERATIONAL REPORTS:** Motion by Urban, seconded by Reid, to receive the Department Monthly Operational Reports from the various departments for October 2009. Upon a roll call vote, motion carried 7 to 0.

UNFINISHED BUSINESS:

* **7432 AND 7452 GARDEN LANE ACCESS ISSUE:** Motion by Urban, seconded by Reid, to grant the Easement and Right-of-Way Agreement for Ingress and Egress at 7432 and 7452 Garden Lane. Upon a roll call vote, motion carried 7 to 0.

* **MINUTES OF BOARDS AND COMMISSIONS:** Council received the minutes of the:

Portage Human Services Board of October 1, 2009.
Portage Park Board of October 7, 2009.
Portage Environmental Board of October 14, 2009.
Portage Planning Commission of October 15, 2009.
Portage Senior Center Advisory Board of October 21, 2009.

AD HOC COMMITTEE REPORTS:

CITY COUNCIL CUSTOMER SERVICE AD-HOC COMMITTEE SELECTION:

Mayor Strazdas announced the appointment of Councilmembers Campbell as Chair, Councilmember Urban, and mayor Pro Tem Sackley as members of the City Council Customer Service Ad-Hoc Committee.

CITY COUNCIL CUSTOMER SERVICE AD-HOC COMMITTEE REPORT:

Councilmember Campbell indicated that she was honored to be chosen as the Chairperson of the City Council Customer Service Ad-Hoc Committee and promised to use her twenty years experience in the banking business and her eleven years experience in the retail business to help steer the committee. She reported that the committee had already met to discuss various ideas, will have an informational meeting later in the week with city staff and present a report in December. Mayor Strazdas indicated that he postponed the appointment of the Council Membership on Committees until after the City Council Retreat.

CITY COUNCIL ASSESSMENT TASK FORCE - 14-POINT REVIEW: Mayor Strazdas commented on his communication to the State Tax Commission requesting a 14-point review, and Councilmember O'Brien asked that the administration keep City Council informed as to the status of the reorganization of the Michigan Tax Tribunal and the State Assessor's Board. Discussion followed.

CITY COUNCIL ASSESSMENT TASK FORCE - FREEDOM OF INFORMATION ACT: City Attorney Randy Brown indicated that he reviewed all of the 214 requests handled for the period 2008 and 2009 in his Freedom of Information Act (FOIA) report all of which were routine with the one anomaly being a request for voter registration information. City Clerk Hudson explained. Discussion followed.

CITY COUNCIL ASSESSMENT TASK FORCE - COUNTY-WIDE REVIEW OF TAXABLE VALUE REFUNDS: Mayor Strazdas indicated that he received a variety of calls from citizens who had received a phone call from Kalamazoo County Treasurer Mary Balkema regarding the amount of refunds provided to Portage residents and wanted to know why Portage is the only municipality to receive refunds. He admitted he did not know the content of the phone calls to the citizens. He contacted Mary Balkema the day before the election and indicated that it unfortunately took over two weeks and several phone calls to get a response to his inquiry. He deferred to Mayor Pro Tem Sackley, who said he received a spreadsheet from Kalamazoo County Treasurer Mary Balkema on Friday, November 13, 2009, and prepared a two-sided report for review by City Council and *Kalamazoo Gazette* Reporter, Tom Haroldson, entitled, "Taxable Value Changes Refunded in 2008."

Mayor Pro Tem Sackley opened his remarks by indicating that at the Regular Meeting of October 6, 2009, in reference to the Office of the City Assessor, Ms. Balkema said, "With power comes responsibility. Your Assessor has a lot of power, so we're asking that you have the appropriate checks and balances. He is also shielded by the Manager and the Council. I don't have that same shield. I report directly to the people and the people can vote me out in four years. Your Assessor doesn't have

that. He doesn't have that same accountability that I know that you have and I have." "As of today, I have refunded County tax payers \$687,158.76. Those refunds are for tax years 05, 06, 07 and 08. You asked who knows what fact or fiction is; that's a fact."

Mayor Pro Tem Sackley then relayed an excerpt from the telephone call referred to by Mayor Strazdas, "If an error has been made by a local unit of government, then my office refunds the difference. Unfortunately, I have had to refund money to a number of Portage families." Mayor Pro Tem Sackley then acknowledged that the comments he has made are taken out of context, but offered the original documents to anyone who wishes to view the documents from which he derived the information, though the intent would not change, as he sees it.

Mayor Pro Tem Sackley then asked City Council to review with him the data presented on the two-sided report entitled, "Taxable Value Changes Refunded in 2008." He indicated that this data regarding Real Property only was provided by Kalamazoo County Treasurer Mary Balkema and reviewed and analyzed the categories of the report.

Next, he referred to the flip side of the document entitled, "Kalamazoo County 2008 SEV and Taxable Values by Unit" that he received from the Portage City Assessor from a report provided by Kalamazoo County. When he compared the 2008 taxable values with the 2008 refunds, which could be from 2005, 2006 2007, 2008, etc., he acknowledged that there is no way of knowing what years are included, but neither could Ms. Balkema and the person who could was not in the office when contacted.

Mayor Pro Tem Sackley referred to the time when Ms. Balkema visited the City Assessor and the October 6, 2009 City Council Meeting and she implied that there were errors in assessing practices, the total taxable in the County was \$8.265 million, with \$4.371 million or 52.9% of the taxable value for the townships, and the total taxable in the cities was \$3.894 million or 47.1% of the taxable value for the cities. However, when comparing the percentages for the cities versus the townships, the cities only reflect a 13 % refund versus an 87% for the townships, indicating that the cities are doing a fine job at assessing.

Mayor Pro Tem Sackley indicated that in a telephone conversation, Ms. Balkema revealed to him that one of the refunds for Oshtemo was for only one property, \$1.8 million for the Meijer Store on West Main, so this could arguably skew the data, but this was the data provided by the County Treasurer as it was presented to him.

He referred to the criticisms leveled by Oshtemo Township Assessor Cathy Harrell regarding the Portage City Assessor's Office at the October 6, 2009 Regular City Council Meeting and concluded that she intended to lend support to the challenges on improper assessing practices that evening. He then pointed out that 78.7% of the refunds from the data from Ms. Balkema came from Oshtemo Township, even though Oshtemo only has 9.1% of the taxable value.

By comparison, the City of Kalamazoo had 6.4% of the total dollar value of the refunds with 20.9% of the taxable value, and the City of Portage had 6.6% of the total dollar value of the refunds with 25.3% of the taxable value. He acknowledged that this includes personal property, but all municipalities have personal property and, even though the cities have more, if personal property is taken out, there would still not be a significant difference.

He analyzed the parcel count, congratulated those townships that had no refunds at all and invited everyone to draw their own conclusions regarding how "perfect" the assessors are in those townships. He pointed out that of the 100 parcels provided refunds, 40% of the parcels with refunds are from the City of Kalamazoo and reminded everyone that this count should be compared in light of their 20.9% of the taxable value and their 6.4% of the total dollar value of the refunds. He pointed out that 9% of the parcels with refunds are from the City of Portage, only nine parcels, and reminded everyone that this count should be compared in light of the 25.3% of the taxable value and 6.6% of the total dollar value of the refunds.

Mayor Pro Tem Sackley indicated that the Oshtemo Assessor came before City Council, and he wanted to check out the claims of everyone. He pointed out that 16% of the parcels with refunds are

from Oshtemo Township, sixteen parcels, seven more than Portage, and reminded everyone that this count should be compared in light of the 9.1% of the taxable value and 78.7% of the total dollar value of the refunds. He asked that everyone draw their own conclusions and offered the data sheet to anyone who wanted it at no charge. Discussion followed and Mayor Strazdas summed up.

Councilmember O'Brien indicated that none of the responses to the letters sent out to all of the Assessors in the County indicated that the Portage Assessor is engaging in illegal or crooked practices. She indicated that she contacted every Assessor in the County personally to let them know that a letter was coming to give them a chance to respond and there were quite a few who chose not to respond at all because they have had no contact with the Portage Assessor's Office. Discussion followed.

Mayor Pro Tem Sackley indicated that this discussion is about the numbers as presented by Kalamazoo County Treasurer Balkema and the inference of poor quality of assessment in the City of Portage and is not a commentary on the delivery of information and the customer service issues that have surfaced.

CITY COUNCIL ASSESSMENT TASK FORCE - ASSESSMENT ACTIVITIES: At the request of Mayor Strazdas, City Manager Maurice Evans referred to Customer Service efforts by the Administration and invited City Council to the annual Customer Service session for employees that will take place tomorrow, November 18, 2009. He also indicated that the temporary employee position requested late summer or early fall by the City Assessor has been filled and that the City has hired Southwest Michigan Government Consultants to assist in the Assessor's Office. Mayor Strazdas asked that the Administration focus on customer service issues and Mr. Evans assured him that customer service is being emphasized and that the City has a very good tool with the training past and present.

Councilmember O'Brien indicated that, as Councilmember Randall indicated, City Council can not know everything and must rely on the citizens to get information, good or bad, as it is all valuable. Discussion followed.

Councilmember Reid asked whether the new people in the Assessor's Office could participate in the customer service session, and Mr. Evans indicated that he is still studying that possibility. Discussion followed.

In a follow-up to Councilmember O'Brien's earlier comment, Mayor Strazdas encouraged all of the other municipalities in the County to step up and request to be a part of the 14-point review.

Mayor Pro Tem Sackley indicated that when the Assessor FOIA issue surfaced, the City Council immediately delivered the information to the City Manager, and it took less than four business days to be addressed. He reviewed the process that is implemented when a citizen brings a concern to City Council. He also mentioned that although City Council may not agree with one another all of the time, as evidenced by some of the 4-3, 5-2 and 6-1 votes, sometimes the 7-0 votes were the result of healthy debate and discussion where a Councilmember was able to look at an issue from another perspective and change his or her position in an open, transparent environment.

Mayor Strazdas reiterated his challenge to all of the other municipalities in the County to step up and request to be a part of the 14-point review.

BID TABULATION:

* **TRAFFIC SIGNAL IMPROVEMENTS:** Motion by Urban, seconded by Reid, to award an engineering services contract for installation of new traffic signals at East Center Avenue/Currier Drive/Mustang Boulevard and South Westnedge Avenue/Portage Central High School Entrance intersections to the low bidder, Abonmarche Consultants, Incorporated, in the not-to-exceed amount of \$50,000 and authorize the City Manager to execute all documents related to the contract on behalf of the city. Upon a roll call vote, motion carried 7 to 0.

OTHER CITY MATTERS:

STATEMENTS OF CITY COUNCIL: Councilmember Reid indicated that her colleagues from the statewide organization, Michigan Occupational Therapists Association, met in Kalamazoo where she provided a couple of presentations, one of which was “Combining Occupational Therapy with Politics.” She discussed the merging of the perspectives of each discipline and thanked her colleagues for coming to the meeting.

Councilmember Urban reiterated that the next year, two, three or four, could be the most difficult years he will have ever served on City Council. He also indicated that this was his fourth term and was the first time he was able to share this occasion with his three year old daughter.

Councilmember O’Brien referred to the communication to the City Clerk from the West Lake Association of the upcoming meeting regarding weed remediation. She recognized and thanked Daniel Rhodus, 3320 Vanderbilt Avenue, for his assistance as he was a great resource for the Ad Hoc Property Committee on the Garden Lane issue. She recognized the fine work of Jennifer Whistler, who recently resigned as Portage Public School Board President, and wished her well, then noted that the School Board will be making some tough decisions in the near future and recognized their courage and offered City Council assistance where possible.

Mayor Pro Tem Sackley indicated that he, Councilmember Reid and Mayor Strazdas attended the City of Kalamazoo swearing-in ceremony and expressed his appreciation to City Council for re-electing him Mayor Pro Tem. He reflected on some of the activities and duties required of the position and expressed his gratitude to United States Representative Fred Upton for embracing and encouraging his opportunity to serve on City Council. He also recognized Western Michigan University President John Dunn for embracing and encouraging Mayor Strazdas to serve the city.

Mayor Strazdas indicated he would be meeting at 3 p.m., Wednesday, November 18, 2009, with the City of Kalamazoo Mayor Bobbie Hopewell and Kalamazoo County Chair David Buskirk to discuss the Census 2010 process and stressed the importance of maintaining a full and complete count of the population in the County. Mayor Strazdas also announced that he was elected President of the Council of Governments (COG). He reflected upon what a challenge it is to keep local governments together at a high level of cooperation, indicated that a lot of positive ideas have been presented and a transformation of the units of government in the region is in the making. Mayor Strazdas also reminded everyone of the Big Brothers and Big Sisters Fire and Ice Gala Black Tie Event to be held Saturday, November 21, 2009, starting at 6:30 p.m. in the Ballroom of the Radisson Hotel, Kalamazoo.

ADJOURNMENT: Mayor Strazdas adjourned the meeting at 9:38 p.m.

James R. Hudson, City Clerk

***Indicates items included on the Consent Agenda.**