

CITY COUNCIL MEETING MINUTES FROM JULY 21, 2015

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

At the request of Mayor Strazdas, Councilmember Urban gave an invocation, and City Council and the audience recited the Pledge of Allegiance.

At the request of Mayor Strazdas, the City Clerk called the roll with the following members present: Councilmembers Nasim Ansari, Richard Ford, Patricia M. Randall, Claudette Reid and Terry Urban, Mayor Pro Tem Jim Pearson and Mayor Peter Strazdas. Also in attendance were City Manager Laurence Shaffer, City Attorney Randy Brown and City Clerk James R. Hudson.

APPROVAL OF MINUTES: Motion by Ansari, seconded by Ford, to approve the Regular Meeting Minutes of July 7, 2015, as presented. Upon a voice vote, motion carried 7 to 0.

* **CONSENT AGENDA:** Mayor Strazdas asked Councilmember Ford to read the Consent Agenda. Councilmember Reid asked that Item F.1, Construction Board of Appeals Raze Order - 5523 Monticello Avenue, be removed from the Consent Agenda. Motion by Ford, seconded by Urban, to approve the Consent Agenda motions as amended. Upon a roll call vote, motion carried 7 to 0.

* **APPROVAL OF ACCOUNTS PAYABLE REGISTER OF JULY 21, 2015:** Motion by Ford, seconded by Urban, to approve the Accounts Payable Register of July 21, 2015. Upon a roll call vote, motion carried 7 to 0.

REPORTS FROM THE ADMINISTRATION:

CONSTRUCTION BOARD OF APPEALS RAZE ORDER – 5523 MONTICELLO AVENUE: In answer to Councilmember Reid, City Manager Shaffer indicated that the new specifications for demolition require that the basement be removed when the structure is removed along with proper grading, seeding, curb work, etc. – all that is necessary to preserve and enhance the balance of the neighborhood. Discussion followed.

Motion by Reid, seconded by Urban, to accept the order of the Construction Board of Appeals to raze and remove the house at 5523 Monticello Avenue; and authorize the City Administration to take the necessary action to place a lien and assess the property to recover the costs associated with razing and removing the structure, consistent with city ordinance. Upon a roll call vote, motion carried 7 to 0.

* **PUBLIC MEDIA NETWORK MUNICIPAL VIDEO PRODUCTION SYSTEM AGREEMENT:** Motion by Ford, seconded by Urban, to approve the Public Media Network Municipal Video Production System Agreement, including Addendum #1 of the Agreement, and authorize the City Manager to execute all documents related to this action on behalf of the city. Upon a roll call vote, motion carried 7 to 0.

* **STREET CRACK SEALING REPAIR MACHINE – PURCHASE RECOMMENDATION:** Motion by Ford, seconded by Urban, to approve the purchase of the Cimline Magma 230 Melter/Crack Sealer Trailer Mounted Spray Injection Road Repair Machine from Alta Equipment Company of Byron Center, Michigan, utilizing the Houston-Galveston Area Council (H-GAC) Cooperative Purchasing Program at a cost of \$58,032, and authorize the City Manager to execute all documents related to this action on behalf of the city. Upon a roll call vote, motion carried 7 to 0.

- * **CHARTER AMENDMENT PETITION - INFORMATION ONLY:** Motion by Ford, seconded by Urban, to receive the communication from the City Manager regarding a Charter Amendment Petition as information only. Upon a roll call vote, motion carried 7 to 0.
- * **JUNE 2015 SUMMARY ENVIRONMENTAL ACTIVITY REPORT:** Motion by Ford, seconded by Urban, to receive the June 2015 Summary Environmental Activity Report as information only. Upon a roll call vote, motion carried 7 to 0.
- * **DEPARTMENTAL MONTHLY REPORTS:** Motion by Ford, seconded by Urban, to receive the Departmental Monthly Reports from the various departments. Upon a roll call vote, motion carried 7 to 0.

COMMUNICATION:

ED BUDAY, JR., 1503 BRADFORD STREET: Mr. Shaffer reviewed the communication from Mr. Buday, indicated that the City Attorney advised that the City cannot make any of the changes requested by Mr. Buday since the size of fireworks and date options for the holiday to shoot fireworks are covered by state statute. He said a letter will be sent to Mr. Buday to let him know that the City cannot make any of the changes he has requested. Motion by Ford, seconded by Ansari, to receive the communication from Ed Buday, Jr., 1503 Bradford Street, regarding fireworks. Upon a voice vote, motion carried 7 to 0.

- * **MINUTES OF BOARDS AND COMMISSIONS MEETINGS:** City Council received the minutes of the following Boards and Commissions:

- Portage Historic District Study Committee of Wednesday, April 21, 2015.
- Portage Historic District Commission of May 6 and June 3, 2015.
- Portage Public Schools Board of Education Regular and Special of June 22 and Special of June 29, 2015.
- Portage Zoning Board of Appeals of June 8, 2015.
- Portage Planning Commission of June 18, 2015.

COUNCIL COMMITTEE REPORTS:

DISCOVER KALAMAZOO ADVISORY COUNCIL - COUNCILMEMBER

RANDALL: Councilmember Randall reviewed a meeting of Discover Kalamazoo Advisory Council on Monday, July 13, 2015, which focused on how to make the Advisory Council more effective. She said that this was in response to a survey performed some months ago that revealed that people wanted to know who the speakers were in advance and that what was said in the room stays in the room. She mentioned that the Council is a great supporter of the United States Tennis Association (USTA) Championships that start July 31 through August 9, 2015, at Kalamazoo College, and are supporting the Professional Disc Golf Association Amateur Disc Golf World Championship that will be held in our Region. She mentioned that the Council was very positive about the various Portage events of recent weeks and she expressed her appreciation of the level of energy and promotional efforts at the meeting.

Councilmember Ansari interjected that former Mayor Pro Tem Ed Sackley was present for comment regarding Item F.2, Public Media Network Municipal Video Production System Agreement, and Mayor Strazdas indicated that he would invite him up at the conclusion of the discussion regarding the Discover Kalamazoo Advisory Council Meeting of July 13, 2015.

There being no further discussion, motion by Reid, seconded by Ansari, to receive the communication from Councilmember Randall regarding the Discover Kalamazoo Advisory Council. Upon a voice vote, motion carried 7 to 0.

Mayor Strazdas recognized former Mayor Pro Tem Ed Sackley, who updated City Council on the contents and the benefits for the citizens as a result of the Public Media Network Municipal Video Production System Agreement.

INVESTMENT COMMITTEE MEETING MINUTES: Mayor Strazdas recognized the contributions of the three citizen participants on the Investment Committee: Richard Kraas, Roger Stamper and Steve Kreider and explained that they are very good at what they do and the advice they provide to the City. He noted that the Committee discussed the 40% financial institution limitation and the challenges dealing with staying within the 40% guidelines and indicated that there will be more details for City Council to consider at the next meeting to assist with an adjustment of that and explained. Next, he discussed the welcomed opportunity to reduce some of the debt by using cash for capital improvement versus bonding. Mr. Shaffer indicated that the debt was originally at \$107 million and is now down to \$79 million, and Mayor Strazdas shared that Mr. Kraas, Mr. Stamper and Mr. Kreider applauded this effort by City Council. Mayor Strazdas explained further that as a result of this discussion, Mr. Shaffer proposed a goal of becoming a AAA rated City beyond the AA stable Standard and Poor's rating currently held by the City which would produce long-term significant savings. The Committee also proposed adhering to the fund balance policy at 24% and Mayor Strazdas indicated more future discussion of this matter. Mayor Strazdas indicated Deputy City Manager Rob Boulis will bring the proposed minor change to the Investment Policy from Finance Director Bill Furry, but the 24% fund balance policy will not be a part of that as it will be addressed in a couple of months from now.

In answer to Councilmember Reid, Mr. Shaffer said that the recommendation not to exceed 40% in any one fund, so that the City maintains a level of diversification, reduces our exposure, our risk level. He noted a small change in nomenclature, not in principle, i.e., 40% "at the time the investment is made." He continued that during course time, those numbers fluctuate, so it is important to fix the 40% at the time of the reallocation is made. Discussion followed.

In response to Councilmember Randall, Mayor Strazdas explained as the debt goes down, the bond rating goes up; and, the more cash held in reserve, the bond rating goes up. Mr. Shaffer explained that AAA rating is very difficult to attain, so the City will have to demonstrate a substantial reduction in debt. He said that Standard and Poor's will analyze the stability of the tax base of the City, especially the stability of some of our largest employers, and will judge how aggressive the City has been to enhance and preserve that stability. He said that they will also look at revenues versus expenditures over time to determine expenditure control and whether the City can consistently show that revenue is not an issue and expenditures are under control. Discussion followed.

Motion by Urban, seconded by Ansari, to receive the minutes of the June 30, 2015 Investment Committee Meeting. Upon a voice vote, motion carried 7 to 0.

CENTRAL COUNTY TRANSIT AUTHORITY (CCTA): Mayor Pro Tem Pearson provided a brief update of a meeting of the CCTA. He indicated that the CCTA is in the process of a four-way agreement among the City of Kalamazoo, the Kalamazoo County Transit Authority (KCTA) and the Kalamazoo Transit Authority (KTA). The City of Kalamazoo wants to transfer all of its buses to the CCTA and there is a CCTA millage request as a ballot question on the August 4, 2015 Special Election. He explained that there was a high level discussion regarding Kalamazoo City legacy cost issue; and, as a result, the CCTA will be meeting twice per month, instead of monthly, for the next few months to obtain all of the information necessary to fully understand the details of the proposed agreement. Discussion followed.

In answer to Councilmember Ford, Mayor Pro Tem Pearson indicated that with regard to the KCTA retirees, the pension is overfunded; and, \$4 million in assets for healthcare will be transferred, but it is not known if that is enough as yet. He did indicate that all of those questions will be discussed in detail before considering the agreement for approval. Discussion followed regarding 911 Dispatch legacy costs and Mayor Strazdas indicated that Portage does not want to inherit long-term debt.

Discussion followed. Motion by Reid, seconded by Ansari, to receive the Central County Transit Authority Report from Mayor Pro Tem Pearson. Upon a voice vote, motion carried 7 to 0.

BID TABULATION:

* **GARDEN LANE TRANSMISSION WATER MAIN REPLACEMENT – BID TABULATION:** Motion by Ford, seconded by Urban, to award a construction contract for the Garden Lane Transmission Water Main Replacement Project to Pajay, Incorporated, of New Buffalo, Michigan, in an amount not to exceed \$263,787 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 CANDIDATES: Mayor Strazdas provided the opportunity for Councilmember Ford, Councilmember Randall and Mayor Pro Tem Pearson to announce their candidacy for City Council which will be determined at the November 3, 2015 City Election, and each recounted some of the positive changes that have taken place while serving on City Council.

STATEMENTS OF CITY COUNCIL: Councilmember Ford expressed kudos to the City Parks Department and recounted his experiences while attending the United States Army Field Band and Soldiers' Chorus, the Celery Flats Music Festival and the Taste of Portage.

Councilmember Randall concurred with Councilmember Ford, commented further and thanked City Manager Shafer for his military service to our country. She also encouraged everyone to attend the activities and family fun associated with the United States Tennis Association (USTA) Tournament being held from July 31 through August 9, 2015, at Kalamazoo College.

Councilmember Ansari praised the 70 years of experience held by the sitting City Council, the excellent job performed by Council in the best interest of the City, as a way to endorse the incumbents, especially Mayor Strazdas for the November 3, 2015 City Election. Mayor Strazdas thanked him for it.

Councilmember Reid thanked and recognized Councilmembers Randal and Ford and Mayor Pro Tem Pearson for the time and effort they have expended serving as members of Portage City Council and said she looked forward to the race coming up. She reviewed some of the details of Item F.2, Public Media Network Municipal Video Production System Agreement and the advantages to the City of Portage. She reminded everyone that the August 4, 2015 Special Election for the Metro Transit millage is only two weeks away, that the absentee ballots for those on the permanent list went out July 7, and information is available on line for those who need more information on this issue. She indicated that this week is the 25th Anniversary of the American Disabilities Act of 1990, and explained that there are 60,000 jobs that are open and 500,000 persons with disabilities who cannot find employment and are looking for employment. She mentioned that 43% of adults will become disabled during their working years and stressed that it is important that our systems do not discriminate against people with a disability. She also recounted her experiences while attending the United States Army Field Band and Soldiers' Chorus, the Celery Flats Music Festival and the Taste of Portage.

City Manager Shaffer provided an update on the South Westnedge Construction Project and indicated that it is still on target for completion by mid-August, despite the enormous amount of rain that has fallen throughout the construction, and he asked for continued patience from citizens for three more weeks. Mayor Strazdas asked for a campaign from the Administration when it is opened as a measure to assist businesses that have felt the strain of the low traffic numbers on Westnedge Avenue during the construction.

Mayor Pro Tem Pearson thanked Councilmember Ansari for his endorsement and Councilmember Reid for her kind words. He also said he has enjoyed working with Council.

Mayor Strazdas thanked and congratulated his three colleagues on City Council, who are taking another step to be good stewards of the community and anyone else who is running as it is a noble volunteer undertaking. He indicated that the United States Army Field Band and Soldiers' Chorus was spectacular and thanked the efforts of the Reserve Officers Training Corps (ROTC) for helping this event take place. He thanked all who attended the Taste of Portage, despite the rain. He recounted his visit with all of the Mayors of West Michigan who were able to attend the Mayor Energy Summit. He commented that Grand Rapids Mayor George Hartwell has an annual event and invites all of the Mayors from this side of the state to talk about topics that concern City and State Government and the main topic this year was energy policy since Governor Snyder organized State Departments to have an Energy Bureau. The Director of the Bureau is talking to all of the Mayors regarding what will be coming up with regard to energy policy that will impact businesses, industry and citizens.

ADJOURNMENT: Mayor Strazdas adjourned the meeting at 8:25 p.m.

James R. Hudson, City Clerk

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