

AGENDA FOR THE COMMITTEE OF THE WHOLE AND REGULAR SESSION
MONDAY, OCTOBER 28th , 2013 , 7: 00 PM
PRESIDING: THE HONORABLE MAYOR JOSEPH R. PETERSON
CHAIRPERSON OF THE EVENING: THE HONORABLE DANIEL E. GALESKI

ROLL CALL: FRICKE, GALESKI, MICIURA, SABUDA, SCHULTZ, STEC

PRESENTATION:

PRESENTATION OF A PROCLAMATION
ON BEHALF OF FAMILIES WHO HAVE
SUFFERED THE LOSS OF A LITTLE LOVED ONE

ANNOUNCEMENT BY THE
SUPERINTENDENT OF RECREATION
JUSTIN LANAGAN
RELATIVE TO THE RECREATION DEPARTMENT
SEEKING INPUT FROM WYANDOTTE CITIZENS
FOR THE 2014-2018
CITY OF WYANDOTTE RECREATION MASTER PLAN
PUBLIC MEETING TUESDAY, NOVEMBER 12, 2013
YACK ARENA
HAROLD POPP WARMING ROOM

COMMUNICATIONS MISCELLANEOUS:

1. Communication from the Salvation Army requesting to utilize the city-owned property in front of City Hall for their Christmas Tree to display the progress of the Wyandotte Downriver Corps annual Red Kettle Campaign.

2. Communication from William Chernick regarding an appeal to the decision of the placement of rocks on his neighbors easement.

3. Communication from Michael Paschke regarding the placement of a Zagster bike rental rack in front of Tongue's coffee shop in downtown Wyandotte.

PERSONS IN THE AUDIENCE

COMMUNICATIONS FROM CITY AND OTHER OFFICIALS:

4. Communication from State Senator Hoon-Yung Hopgood regarding Senate Bill 313 which would amend Michigan's rental housing inspection law.

5. Communication from the Chief of Police relative to the review of traffic issues on 14th Street at Pine.

6. Communication from the Safety Coordinator/Planner/Scheduler Power Plant regarding the Power Plant roofing Project.

7. Communication from the Special Event Coordinator submitting the Zapplication Renewal Agreement for the 2014 Wyandotte Street Art Fair.

8. Communication from the City Administrator relative to the Collective Bargaining Agreement-Police Patrol Officers (POAM).

9. Communication from the City Administrator regarding the Collective Bargaining Agreement-Police Command Officers (COAM).

10. Communication from the City Engineer regarding the sale of property within the City of Wyandotte.

11. Communication from the City Engineer regarding the Michigan Department of Transportation Contract for Oak Street Pavement Repair from Fort Street to 11th Street.

12. Communication from the Planning Commission regarding a Zoning Ordinance Amendment-Article XXI Schedule of Regulations.

CITIZENS PARTICIPATION:

FIRST READING OF AN ORDINANCE:

AN ORDINANCE ENTITLED
AN ORDINANCE TO AMEND THE CITY OF WYANDOTTE
ZONING ORDINANCE BY AMENDING
ARTICLE XXI-SCHEDULE OF REGULATIONS SECTION
2100 LIMITING HEIGHT, BULK, DENSITY AND AREA BY LAND
USE; NOTES TO SECTION 2100

FINAL READING OF AN ORDINANCE:

AN ORDINANCE ENTITLED
"AN ORDINANCE TO AMEND THE CODE OF ORDINANCES
OF THE CITY OF WYANDOTTE BY AMENDING SECTION 14-2(b)
ENTITLED "RECEPTACLES-GENERALLY" and
SECTION 14-8.1 (14) "TOTER CARTS"

REPORTS AND MINUTES:

Financial Services Daily Cash Receipts	October 22-23, 2013	\$120,668.70
Fire Commission	October 8, 2103	
Fire Commission	October 8, 2013	
Police Commission	October 8, 2013	
Police Commission	October 22, 2013	
Cultural & Historical Commission	October 17 ,2013	
Cultural & Historical Commission	September 12, 2013	
Zoning Board of Appeals & Adjustments	October 2, 2013	
Fire Fighter's Civil Service Commission	September 11, 2013	
Wyandotte Recreation Commission	October 8, 2013	
Planning Commission	October 17, 2013	

PRESENTATION

Please place on the Agenda for a Presentation for Monday, October 28th, 2013.

Honorable Body, Please provide a Proclamation to those who will be present in the Council Chambers prior to our meeting. I appreciate your support for this humble honor.

Sincerely,

Sheri M. Sutherby-Fricke

Proclamation;

Whereas, the loss of a baby prior to his or her first birthday is called infant mortality. According to the Center for Disease control (CDC), 25,000 infants die each year. In Michigan, according to the National Vital Statistics Reports dated May, 2013, in the United States the average of infant death per 1,000 births is 6.39 percent. In Michigan, of 1,000 births the average of 7.60 percent end in death; and,

Whereas, Communities including all professionals who come in contact with families who have suffered infant loss must work together to further reduce the infant mortality rate and provide training and better knowledge about pregnancy and infant loss; and,

Whereas, those in the public can be better informed and educated about pregnancy and infant loss and will better those who have experienced loss in responding with humanity and kindness; and

Whereas, The families who have suffered the loss of a little loved one, the availability of information support and the utmost compassion to heal and deal with their bereavement. The loss of an infant remains a sad reality for many families, takes a hardship on the health and well-being of families and today we pray for those that have suffered such a loss; and now therefore be it,

Resolved, That Mayor Joseph Peterson and all Council, Lawrence S. Stec, Sheri M. Sutherby-Fricke, Daniel E. Galeski, Ted Miciura Jr., Leonard T. Sabuda, and Donald C. Schultz on this day, hereby proclaim that this year and every year forward that every October 15th will be honored as Pregnancy and Infant Loss Remembrance Day in Wyandotte, Michigan.

OFFICIALS

William R. Griggs
CITY CLERK

Todd A. Browning
CITY TREASURER

Thomas R. Woodruff
CITY ASSESSOR



MAYOR
Joseph Peterson

COUNCIL
Sheri M. Sutherby-Fricke
Daniel Galeski
Ted Miciura, Jr.
Leonard T. Sabuda
Don Schultz
Lawrence Stec

JUSTIN N. LANAGAN, SUPERINTENDENT OF RECREATION
RECREATION, LEISURE & CULTURE DEPARTMENT
jlanagan@wyan.org

Public Announcement

The Wyandotte Recreation Department is seeking input from Wyandotte Citizens for the
2014-2018
City of Wyandotte Recreation Master Plan.

A Public Meeting will be held:
Tuesday, November 12, 2013
5 pm
Yack Arena
In the Harold Popp Warming Room

Posted October 23, 2013



DOING THE MOST GOOD™



October 21, 2013

The Honorable Joseph R. Peterson, Mayor and City Council Members
The City of Wyandotte
3200 Biddle Avenue
Wyandotte, Michigan 48192

Reference: 2013 Tree of Lights

Dear Mayor Peterson and City Council Members,

This year, the Salvation Army would like to be part of the downtown Wyandotte's holiday festivities by erecting a Christmas tree somewhat near the City's official Christmas tree on City Hall's premises. Of course, the exact location would be at your discretion. The purpose of this tree is to display the progress of the Wyandotte Downriver Corps annual Red Kettle Campaign – a thermometer, if you will. For instance, when 25% of our goal of \$350,000.00 is reached, then 25% of the lights will be turned on. Consequently, when 50% is attained, then the tree will be half lit. All necessary labor and time will be provided by us. However, we would greatly appreciate assistance with the electrical service invoice.

The joyful sound of bells at Christmas time brings to mind happy memories of holidays past and also reminds us that there are many of our friends and neighbors who need a little help to provide the basics for their families this year.

You will begin to hear the bells and see the red kettles on Friday, November 8th. We need a lot of help from the community to raise necessary funds in our iconic red kettles. These funds are used to provide assistance to many people at Christmas and throughout the whole year. The money collected in the kettles each year is spent on helping families in many ways all year long.

We know that many of you join us in ringing the bells each year. As always, we thank you for your support.

Sincerely,

Diane L. Woodruff

FOR:

Captains Brian and Heidi Reed
Corps Officers

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Oct 22, 2013

Mayor Joseph R. Peterson & City Council Members

32002 Biddle Ave

Wyandotte, Michigan 48192

Dear Mayor and Council Members:

I am writing this letter with concerns about the boulder that my neighbor Troy Harris from 636 Clinton has placed on the city easement. I have been informed that you are looking into an amendment for him to keep boulder where it lays. The Ordinance Officer has been out to this location and has made note that the boulder is in an unsafe area. This boulder is just inches from the curb where vehicles are unable to park without causing damage to same. We have limited parking in our block, with the placement of this boulder it is taking two parking spots. There are several children in the area that use the sidewalk to play and ride their bikes on which they could be injured by this boulder. There is also a concern with my boat that is in my backyard for the summer months. I have had this reviewed by the Ordinance Officer who has stated that I am in compliance with all city codes. With the placement of this boulder it is very difficult to back my boat into my driveway.

I would like you to look into this situation before passing the amendment that is on the table that will allow my neighbor to keep this unwanted boulder on city property.

Thank you in advance for reading my concerns before passing this amendment. Please contact me with any questions you may have.

William Chernick

656 Clinton

Wyandotte, Michigan 48192

313-461-1297

Maria Johnson

From: Michael Paschke [paschkmi@gmail.com]
Sent: Tuesday, October 22, 2013 12:22 PM
To: clerk@wyan.org
Cc: Natalie Rankine
Subject: Fwd: Zagster Bike Share Program - Proposal
Attachments: Zagster for NuPath Credit Union - v2.pdf; ATT00010.htm; Zagster Bike Rack Locations.pdf; ATT00013.htm

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Michael Paschke
paschkmi@gmail.com

Begin forwarded message:

From: Michael Paschke <paschkmi@gmail.com>
Subject: Zagster Bike Share Program - Proposal
Date: October 18, 2013 7:12:57 AM EDT
To: clerk@wyan.org
Cc: Natalie Rankine <nrankine@wyan.org>, Jason Meinzer <jason@zagster.com>, Kathy White <kwhite@nupathcu.com>, Tina E Snider <tina.snider@basf.com>

✱

Dear City of Wyandotte City Council and Wyandotte City Clerk,

✱

In an effort to promote healthy living as well as alternative modes of transportation, I and NuPath Community Credit Union are developing a plan to install a Zagster bike rental rack in front of Tongue's coffee shop in downtown Wyandotte. The project is sponsored by NuPath Credit Union and supported by the staff of Tongue's coffee shop. Zagster is a booming startup company that is being supported by Dan Gilbert in Detroit. He has already begun setting up racks in the city of Detroit. Systems similar to this are also set up in areas along the East Coast including institutions like Yale University.

The hope is to utilize the parking space in front of Tongue's coffee shop for the bike share rack. This would allow Tongue's to still have space for patio seating in front, while still capitalizing on being a biking destination for local residents. We feel this would be a great start in promoting the city as a biking destination; drawing in a great deal of surrounding residents. Cities like Ann Arbor, Detroit, Chicago, and NYC have started to provide services like this with much success. It is our belief that this would really help put Wyandotte on the map as a destination for young and active citizens.

Attached are two documents regarding our proposal for the bike share locations. The first document is the proposal from Zagster with all of the detailed information about the company. Focusing on page 10, you will see the exact dimensions of the proposed bike racks to be installed. The second document is a rough estimate on a few proposed locations for the bike racks at the intersection of Biddle Ave. and Elm St; I apologize in advance for the preliminary rendering. We would ultimately like to see the bike racks

available on Biddle Avenue given this is a main thoroughfare to promote the city's strong stance on health, wellness, and community. We do recognize this is a county road and would likely need further approval, so the idea of the Elm St. location could be very appealing. After speaking with Natalie Rankine from the Downtown Development Authority, we recognize the interest in this and were given her support from the DDA perspective.

We are very excited about this process and really look forward to working together with you, the City of Wyandotte, through this process. Currently, the relationship with NuPath and Zagster has developed the process to lay out the bike share system. What we need is an approval to place the bike racks in one, or all, of the proposed locations. Please do not hesitate to contact me with any questions you might have about the process at michael.paschke@yale.edu or via phone at (734) 674-2825. Regarding the bike share company Zagster, please feel free to contact Jason Meinzer at jason@zagster.com.

We look forward to hearing from you.

Michael G. Paschke
michael.paschke@yale.edu
Mobile: (734) 674-2825



Zagster

Bike Sharing For NuPath Credit Union

WWW.ZAGSTER.COM

+1.800.969.1192 1 Cambridge Center, 6th Floor, Cambridge, MA 02142

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Who is Zagster



TEAM

- Started consulting in bike sharing space in 2007
- Collectively over 22 years of vehicle sharing and operational experience

INVESTORS

- Raised \$1.3M from world-class investors such as Bill Ford's Fontinalis Partners and the first investor in Zipcar
- Only bike sharing company to raise venture capital

EXPERIENCE

- Experience managing over 550 bicycles at 55 locations around the US such as Yale, Related Management, Hyatt and more



AS FEATURED IN

The New York Times

THE WALL STREET JOURNAL.

Forbes

The Boston Globe

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Who We Partner With

- Multi-Family Housing/Apartment Complexes
- College Campuses and Student Housing
- Municipalities
- Corporate Campuses
- Hotels and Resorts
- Other partners like Amtrak

Select Partners



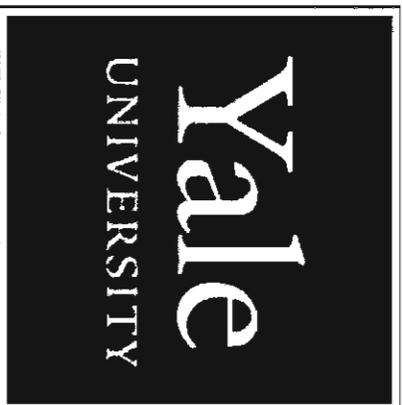
PRELATED

FORESTCITY

HYATT®

ROSELAND
A RECALL CALL COMPANY
BUILDING VISIONARY LIFESTYLE

BOZZUTO



America's Home Loan Experts®



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Why Zagster?



Partners Turns to Zagster When:

- Frustrated with the logistical nightmare and costs of owning and managing a bike sharing program in-house
- Seeking a low-cost, turn-key amenity to stay competitive
- Trying to prevent long commutes for their community
- Searching for low-cost options to obtain LEED credit points
- Frustrated with ugly bike parking racks and abandoned bikes
- Trying to promote a healthy living and working environment for their community
- Seeking a competitive advantage by offering the best amenities
- Looking for a way to differentiate their community.
- Looking to offer healthy amenities that distinguish their brand, are completely hands off and allow them to be seen as thought leaders in their industries.
- Seek to make their community more attractive.

Rider Process



1. **Join** – Interested riders join at Zagster.com
2. **Reserve** – Riders arrive at the bike and simply text ‘start’ plus the bike number to our phone number to reserve the bike
3. **Unlock** – Riders receive an access code that they enter into the lock-box to obtain a key for the bike lock
4. **Ride** - The bike is now reserved for the rider for the duration of the rental. Riders simply text ‘end’ to the same number which releases the bike for the next rider

How It Works



Sign up for the program on your computer or smart phone.



We'll send you a code to get you on your way. Enter this code into the bike's lock box.

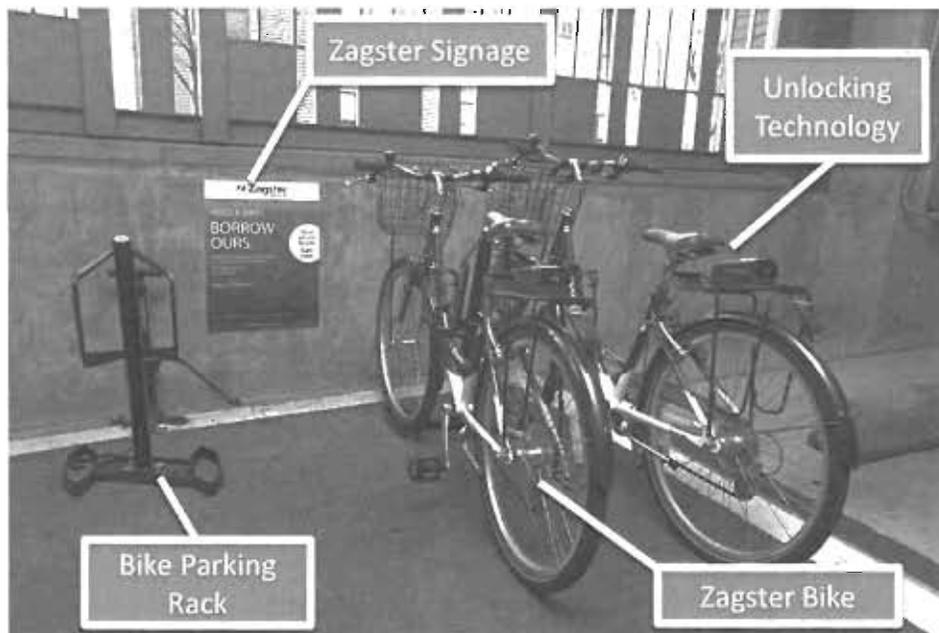


The lock box will pop open with the key to the u-lock inside and the bike is yours to use.



Take the bike wherever you want. Lock it up, then use the same code to ride it again.

Standard Install Package



Zagster Bike/Unlocking Technology

- Adjustable to rider height, easy to mount and dismount
- Wireless real-time lockbox technology tracks usage/location data
- Unlocking technology automates rental
- No hardwiring nor power needed, five-year battery life

Bike Parking Rack

- Secure, customizable and biker friendly
- Construction unnecessary for install, non-concrete intrusive
- Modular design allows for additional parking docks to be quickly deployed if extra space is needed, or taken away if under-utilized

Zagster Signage

- Highly visible at and near rental location
- Wall or valet stand installation available
- Provides rider information and partner branding opportunity

Equipment: Bike



Zagster[™]
a better way to bike

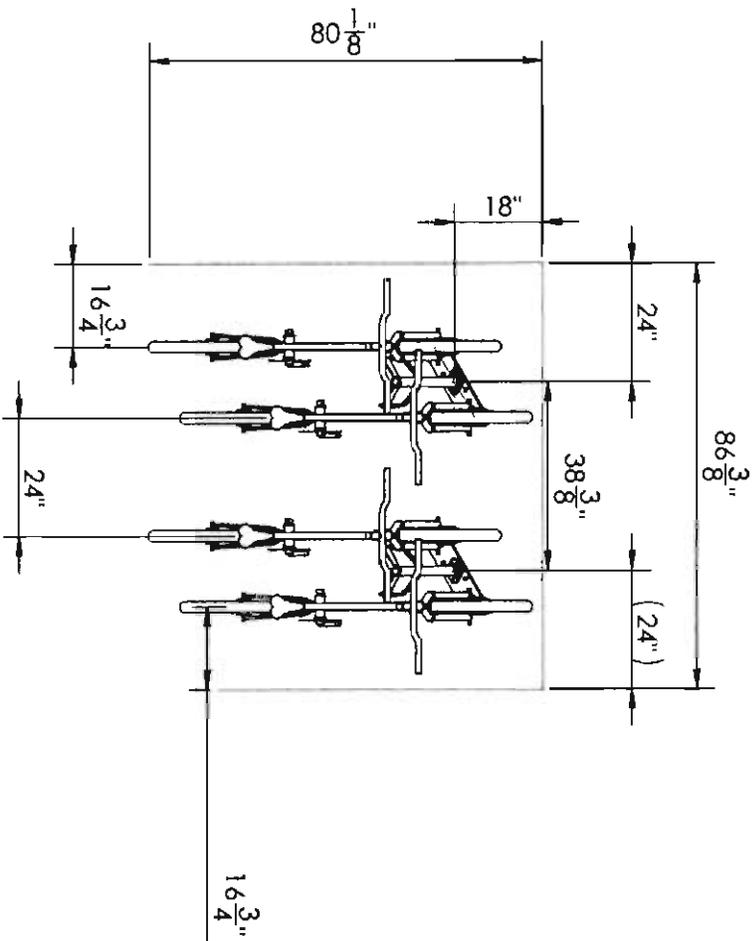
- Step-through frame
- Adjustable seat
- Eight gears and basket
- Kickstand
- One size fits all
- Bell, lights and fenders
- Tamper-proof
- Impervious to elements
- Versatile technology
- Tried, tested and proven for over eight years
- Replaced or fully refurbished every two years

Equipment: Parking Rack



- Secure and bike friendly
- Customized to fit your space
- Meets APBP guidelines
- Dummy-proof i.e. can only lock frame
- Powder coated
- Not concrete-invasive (two simple anchor bolts)
- Modular, fully scalable
- Pre-fabricated, free-standing

Space Needed for 6 Bikes



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Zagster
a better way to bike™

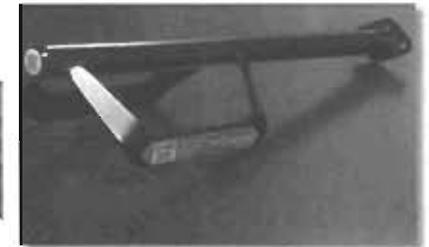
Equipment: Rental Location Features

QR Code

- QR code on each rack directs the users smartphone to the Zagster site

Branding

- Custom co-branded sign that includes
 - Partner logo
 - Unique URL
 - Call center number
- Zagster Branded Rack
 - Easily identifiable rack
 - Additional rider information



Sample Branded Marketing Materials



Zagster
a better way to bike

**NEED A BIKE?
BORROW
OURS.**

We've got one for you.
Right Here!

Reserve your Zagster days or seconds in advance, online or at the bike.

www.zagster.com/related 1-202-99WEZAG

You can be riding a Zagster bike in minutes.
They're seconds away!

HOW DOES ZAGSTER WORK?

- 1 JOIN**
Zagster bikes are great bikes you can use by the hour or day. Become a member at zagster.com/related by completing a basic application.
- 2 RESERVE**
Book your bike online, hours or days in advance, or right next to the bike with your smartphone. They're available by the day, and return by midnight.
- 3 UNLOCK**
Walk to the bike, get the key and unlock the bike using the code we text you.
- 4 RESERVE**
Have fun, be safe and just lock it up when you look up the bike to end your ride. It's that easy!

Zagster is a great alternative to owning a bike or even using a car. Use them when you need 'em, we take care of the rest.

Visit www.zagster.com/related to learn more, find the closest bikes to you, and join.

RELATED **Zagster**
a better way to bike

- Program does not start when the bikes go live... marketing starts far prior
- Integrated online promotional campaigns included

Custom URL

Your Logo

***Additional Features Available**

- Painted floors in Zagster brand colors
- Vinyl graphic installations on the wall or floor
- Bike shelters for outdoor locations

*at extra cost

Custom paint job



Equipment: Online Rider URL



- Log-in via Facebook or Twitter
- 30-second registration process
- Electronically signed and stored member agreement, waiver, etc.
- View usage history
- Update account info.
- Reserve bikes in real-time
- Secure

Equipment: Rider Mobile Application



Zagster
a better way to bike



Rider Pricing Models

*You choose the model and keep the revenue!



Components of Pricing Model:

- **Membership Fee:** charged to the rider during the registration process
- **Rental Price:** available in a single rental or monthly and yearly packages that provide unlimited usage
- **Late Fee:** charged daily to a rider for each day the bike is overdue

E.g. Free Program

Membership Fee	Rental Fee	Late Fee
\$0.00	\$0.00	\$20.00

A free usage program removes any barriers to membership

E.g. Membership Fee Program

Membership Fee	Rental Fee	Late Fee
\$80.00 year	\$0.00	\$20.00

Programs with membership fees create a sunk cost and can drive more usage

E.g. Pay-Per-Use Program

Membership Fee	Rental Fee	Late Fee
\$0.00	\$5 single trip \$20 month \$80 year	\$20.00

This program allows riders to select a pricing option that is based on expected usage

* 93% of all revenue is remitted automatically by check via Zagster's software. 7% is retained to cover our credit card processing fees and the mailing of the check once per quarter.

Support Services



- Robust, 24/7/365 Interactive Voice Response (IVR) system: 202.99.WEZAG
- 24/7/365 call support center
- Professionally trained staff
- Meticulously documented Standard Operating Procedures (SOP's)
- Constantly improving with growing database
- If your riders aren't happy, you won't be so neither will we

All-inclusive



Bike sharing at your property. We do everything. Literally. You do nothing!



Hardware

Everything you need

We provide the bikes, the racks and the technology that is ready to go upon arrival.



Setup and Maintenance

By our professional staff

Our trained and friendly staff will install and provide the ongoing maintenance needed to keep your program running smoothly.



Marketing Support

All the tools you need

Our team provides you with the marketing materials and support needed to successfully promote your program to your riders.



Account Management

For both you and the riders

We provide you with a dedicated account manager and provide your riders with a 24/7/365 call center.



Case Study – One Back Bay



How an Onsite Bike-Sharing System Changed a Boston Woman's Life **BostInno**

- Lindsay has lived at Related's One Back Bay for 3 years
- "I guess you could say that riding Zagster was all about building confidence – learning more about the city than I ever knew before, finding great places to explore, eat, and hang out with friends. I'm really enjoying the freedom that comes with knowing I can bike to just about anywhere I want to go."
- Thanks to Related and Zagster, I'm healthier and happier, and have found the joy and confidence of biking in the city," she says. "It really is the perfect thing to have on-site for people like me."

[Visit the Article](#)

Selected Press



The New York Times

The Two-Wheeled Amenity

“The Related Companies added bicycles as the newest amenity in 10 Manhattan rental properties.”

“With corporations, colleges and numerous cities around the country realizing the appeal of bike-sharing programs, it seems only logical that luxury apartment buildings wouldn’t be far behind.”

[Visit the Article](#)

Bostonian

Zipcar for Bikes: Zagster is Turning Bike Sharing Into an Amenity

“Zagster has most recently partnered with the Hyatt Regency in Cambridge to offer a bike sharing program to guests. Although the Hyatt tried bike rental before, Ericson claims the problem was “they’re in the industry of renting hotel rooms, not maintaining bikes.” Through Zagster, however, they can provide a much higher level of service.”

[Visit the Article](#)



greenlodgingnews®

the lodging industry's leading environmental news source

Zagster, Hyatt Regency Philadelphia Launch Bike Sharing Service

“We’re constantly looking for new amenities to meet the needs of our guests, and Zagster is a perfect fit for today’s health and sustainability-conscious traveler”

“...our guests will have a new, fun and convenient way to get around town.”

[Visit the Article](#)

Project Approach: Zagster Difference

Turnkey

Our model is priced on a simple, leased, per bike per month cost basis which includes absolutely everything. We do everything. You do nothing.

Unmatched Experience

Zagster was one of the first bike sharing companies in the country bringing over 7 years of experience to the table

Dedicated Team

Zagster assigns you a dedicated account management team that ensures the success of your program and a 24/7/365 call center for your riders

Nationwide Reach

Our strong industry relationships coupled with streamlined operations allow us to launch anywhere in the U.S.

Insurance

We carry an industry standard \$2M general liability policy to insure against liability claims

World-Class Product

We are devoted to providing a world-class registration and at-bike experience to riders and a real-time dashboard with usage statistics to our partners



ADDRESS | 1 Cambridge Center, 6th Floor,
Cambridge, MA 02142

PHONE | +1.800.969.1192

EMAIL | info@zagster.com

WEBSITE | www.zagster.com

FACEBOOK | www.facebook.com/Zagster

TWITTER | [@Zagster](https://twitter.com/Zagster)







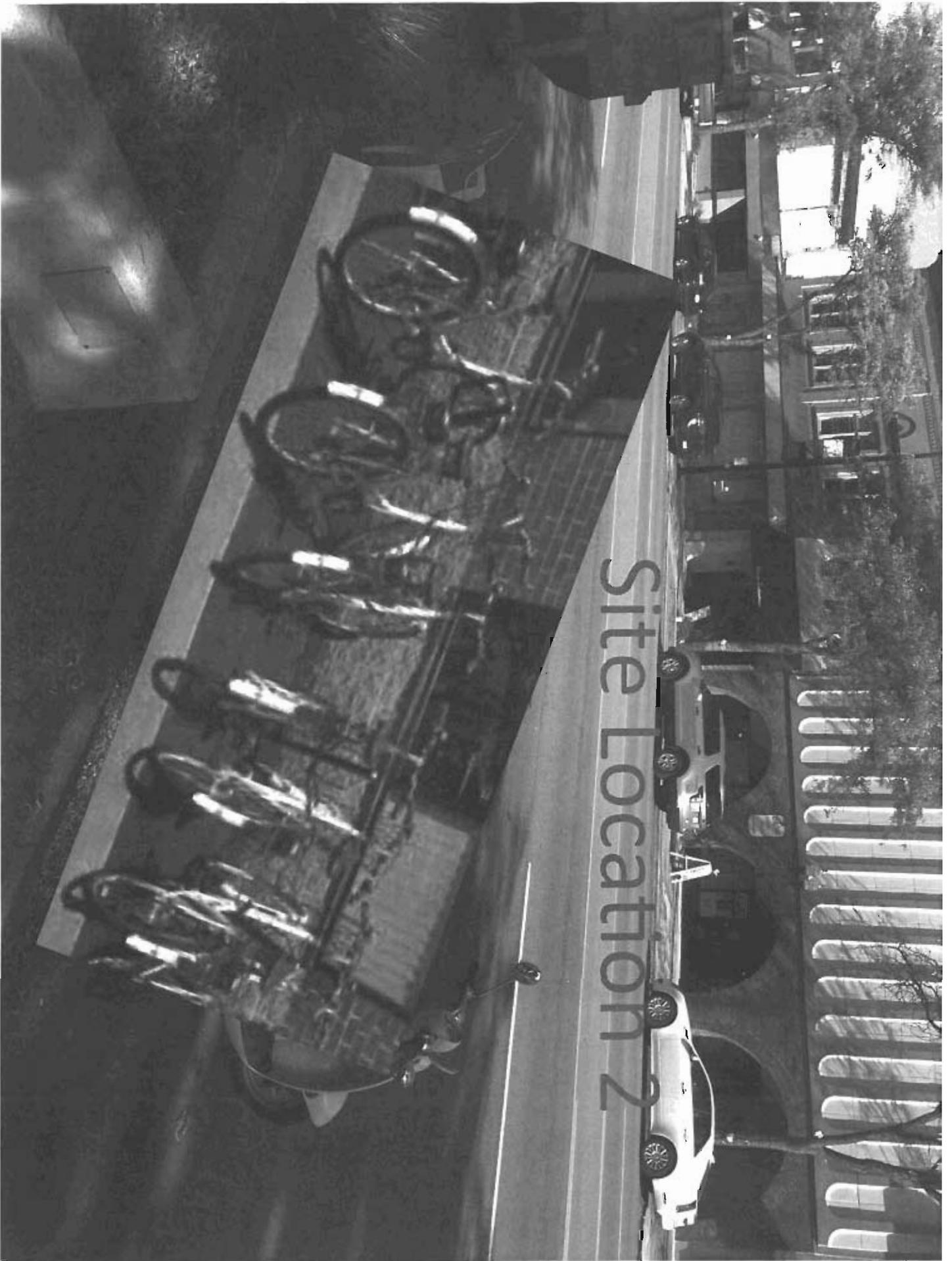
the location 1



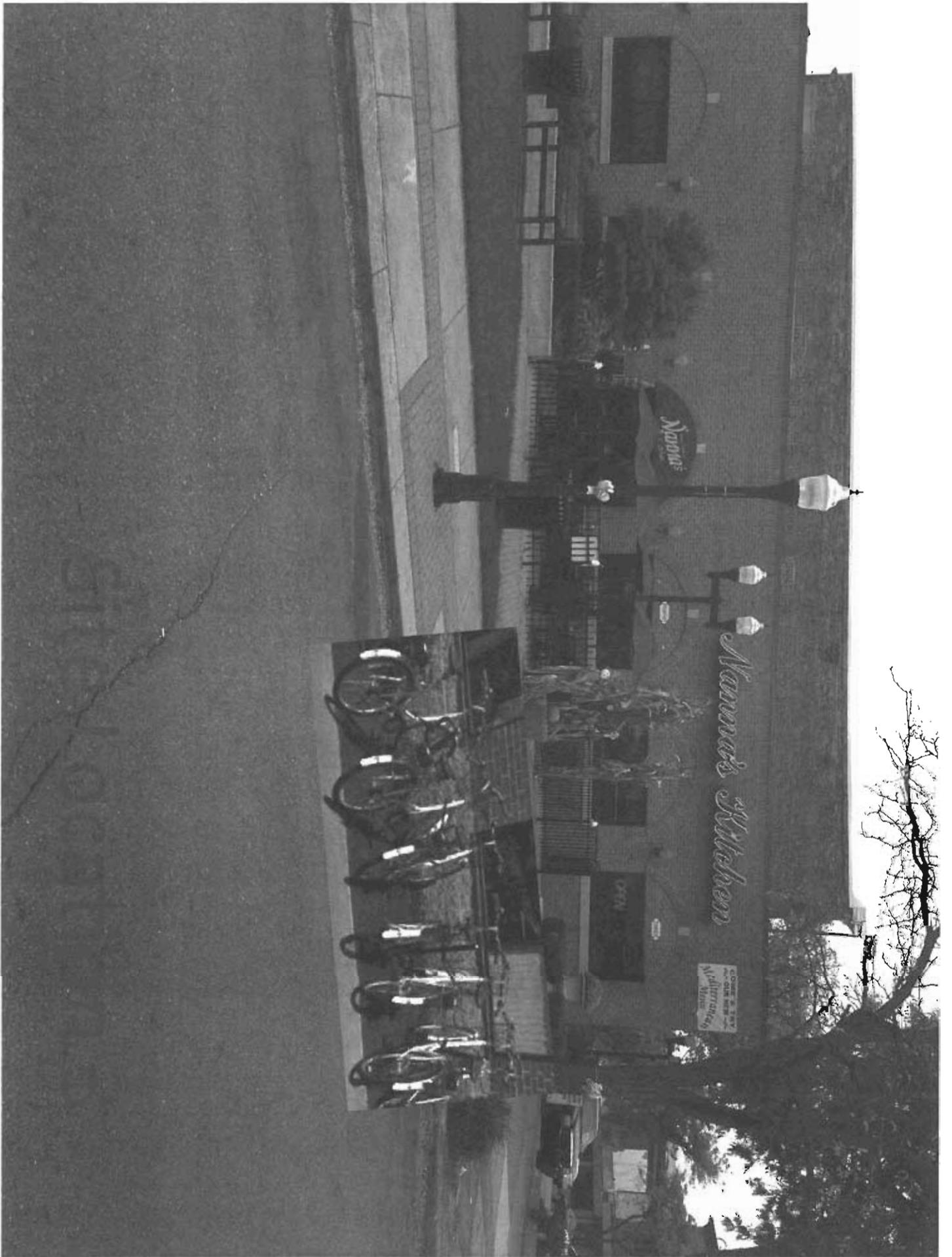
Site Location 2

Borrow CUPS
15 MIN





Site Location 2









THE SENATE
STATE OF MICHIGAN



APPROPRIATIONS SUBCOMMITTEES:
AGRICULTURE, MVC
ENVIRONMENTAL QUALITY, MVC
K-12, SCHOOL AID &
EDUCATION, MVC
NATURAL RESOURCES, MVC

EDUCATION COMMITTEE, MVC
ENERGY & TECHNOLOGY
COMMITTEE, MVC

HOON-YUNG HOPGOOD
ASSISTANT DEMOCRATIC FLOOR LEADER
8TH DISTRICT
P.O. BOX 30036
LANSING, MI 48909-7536
PHONE: (517) 373-7800
FAX: (517) 373-9310
senhhopgood@senate.michigan.gov

October 22, 2013

Wyandotte City Council
3200 Biddle Avenue
Wyandotte, MI 48192

Dear Council Members:

Thank you for forwarding me a copy of your resolution regarding Senate Bill 313, which would amend Michigan's rental housing inspection law. I certainly appreciate you bringing your concerns about this legislation to my attention.

As you may be aware, on October 2 Senate Bill 313 was reported from the Senate Local Government and Elections Committee, of which I am not a member. This bill is now pending before the full Senate, though no action has been taken at this time. In committee the Michigan Municipal League and several community leaders testified against the passage of this legislation. They detailed a number of concerns with SB 313, many of which you have also raised, including:

- the limitations on registration and inspection fees;
- the elimination of the ability to inspect recurrent violators more frequently;
- the extension of the time allowed between housing inspections; and
- the required permission to inspect from the lessee and notification of the lessee's right to refuse.

A substitute bill was approved by the committee restoring language that would allow communities to inspect recurring offenders on a more frequent basis. Furthermore, it is my understanding that Senator Robertson, the sponsor of the bill and chair of the committee, has committed to working to address the remaining concerns raised by municipalities before seeking a vote in the Senate. To that end, you can be assured that I will be monitoring this legislation closely to ensure that is the case. In the meantime, if you should have any questions please do not hesitate to contact me.

Sincerely,

HOON-YUNG HOPGOOD
State Senator
8th District

CITY OF WYANDOTTE
REQUEST FOR COUNCIL ACTION

5

MEETING DATE: October 28, 2013

AGENDA ITEM #

ITEM: Review of traffic issues on 14th Street at Pine Street

PRESENTER: Daniel J. Grant, Chief of Police



INDIVIDUALS IN ATTENDANCE: N/A

BACKGROUND: Wyandotte resident Ted Roszkowski of 3510 14th Street forwarded a letter to the Mayor's office which was received by the City Clerk's Department on October 10, 2013 and placed on the City Council agenda on October 14th. In his letter, he noted issues relating to vehicles "running the yield sign" at 14th and Pine Streets, vehicles speeding/driving the wrong way, and a Trinity Cab which runs the sign. Mr. Roszkowski requested that the yield signs be replaced with stop signs and to have the Officers give the area some special attention during their patrols.

The City Council at their meeting on October 14, 2013 referred this matter to the Chief of Police and Traffic Division for review and direction to report back to the Council in two weeks. It was also part of the resolution to make contact with Trinity Cab to make them aware of Mr. Roszkowski's observation.

STRATEGIC PLAN/GOALS: In order to provide quality service to the residents of the City of Wyandotte, it is essential that when such information is forwarded which may relate to a hazardous situation, the appropriate city department investigate the matter, determine if such a situation exists, and provide a solution/answer in relation to the issue from the resident.

ACTION REQUESTED: Our Police Officers, have given special attention to the intersection during their routine patrols. Also, our two Traffic Officers, Brian Zalewski and Todd Camilleri, have monitored the intersection at 14th and Pine Streets for several hours and have not observed any speeding vehicles, motorists violating the yield signs, or any vehicles traveling against the flow of traffic on the one-way roadway. They have conducted their monitoring during peak traffic times when the nearby elementary school is starting session in the morning and when it closes for the day in the afternoon. An analysis of our traffic crash data has also indicated that there are no problems with accidents in the area which would require or justify any changes in signage for the intersection. The use of "yield" signs is very common throughout the entire city and if any increases in traffic crashes are noted we will review the causes of such activity and consider the use of "stop" signs if it is determined it would reduce crash activity.

It is my recommendation that we keep the existing yield signs at this particular intersection and have our Officers continue to monitor the area for any of the traffic violations as mentioned by Mr. Roszkowski. I have spoken with the owner of Trinity Transportation (Cab) who was advised of the observations as noted in Ted Roszkowski's letter and he indicated to me that he would address the situation with his drivers.

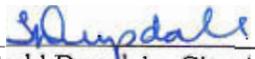
I am requesting the City Council to concur with the Police Department's recommendation relating to the traffic concerns as forwarded by Ted Roszkowski in his letter to the Mayor.

BUDGET IMPLICATIONS & ACCOUNT NUMBER: Since the Police Department is only seeking City Council concurrence in relation to the information as submitted, there will be no implications to the budget.

IMPLEMENTATION PLAN: Direct the Police Officer patrols to continue to monitor the area and address any traffic violations as observed.

COMMISSION RECOMMENDATION: The Police Commission has been apprised of the recommendation as forwarded from the Police Department.

CITY ADMINISTRATOR'S RECOMMENDATION: Concur with recommendation.



(Todd Drysdale, City Administrator)

LEGAL COUNSEL'S RECOMMENDATION: N/A

MAYOR'S RECOMMENDATION: Concur with recommendation.



(Joseph Peterson, Mayor)

LIST OF ATTACHMENTS:

1. Ted Roszkowski's letter to Mayor received 10/10/13.
2. City Council resolution dated 10/15/13.

MODEL RESOLUTION:

RESOLUTION

Wyandotte, Michigan
Date: October 28, 2013

RESOLUTION by Councilman _____

BE IT RESOLVED BY THE CITY COUNCIL that the Council concurs with the determination that there will be no change in the existing signage in the intersection of 14th and Pine Streets and the Police Department staff will continue to monitor the vehicular traffic in the area and address any violations of the traffic code. The City Council has also been advised that the owner of Trinity Transportation has been made aware of the traffic issues as submitted by Mr. Roszkowski and has indicated that he will address the issue with his employees.

FURTHER RESOLVED BY THE CITY COUNCIL that this correspondence will be filed pending any further problems which may need to be addressed in/near the intersection of 14th and Pine Streets.

I move the adoption of the foregoing resolution.

MOTION by
Councilmen _____

Supported by Councilman _____

YEAS

COUNCIL

NAYS

Fricke
Galeski
Miciura
Sabuda
Schultz
Stec

OFFICIALS

William R. Griggs
CITY CLERK

Todd M. Browning
CITY TREASURER

Thomas R. Woodruff
CITY ASSESSOR



JOSEPH PETERSON
MAYOR

COUNCIL

Sheri M. Sutherby-Fricke
Daniel E. Galeski
Ted Miciura Jr.
Leonard T. Sabuda
Donald C. Schultz
Lawrence S. Stec

October 15, 2013

RESOLUTION

Ted Roszkowski
3510-14th Street
Wyandotte, Michigan 48192

By Councilman Lawrence Stec
Supported by Councilwoman Sheri M. Fricke

RESOLVED by the City Council that the communication from Ted Roszkowski, 3510-14th relative to the traffic problems in the 14th and Pine Street area is hereby referred to the Chief of Police and Traffic division for a review and report back to Council in two (2) weeks. AND BE IT FURTHER RESOLVED that the Traffic Division contact Trinity Cab to make them aware of the observation by Mr. Roszkowski.

YEAS: Councilmembers Fricke Galeski Miciura Sabuda Schultz Stec

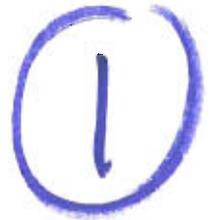
NAYS: None

RESOLUTION DECLARED ADOPTED

I, Maria Johnson, Deputy City Clerk for the City of Wyandotte, do hereby certify that the foregoing is a true and exact copy of a resolution adopted by the Mayor and Council of the City of Wyandotte, at the regular meeting held on October 14, 2013.

Maria Johnson
Deputy City Clerk

CC: Traffic Division, Chief of Police



Dear Mr. Mayor,

I live on 14th St. near Pine Street. There are many cars speeding and running the yield sign at that corner. Everyday a Trinity Cab runs the sign. Some teenagers in trucks do it almost daily as well. We also have a problem with people going the wrong way down 14th, at Pine Street. Is there any way we can get the yield sign on 14th changed to a stop sign before someone gets hit and injured or worse? Also, can the police make a few extra passes in the Area? There are many young kids right in that area that like to play outside together and it's getting too dangerous for them.

Thank you for your time and concern in this matter. I will watch the council meeting on TV for your discussion and response to this matter. Thanks again!

Ted Roszkowski

3510- 14th

Wyandotte

(734) 284-1816

WYANDOTTE CITY CLERK

2013 OCT 10 P 12: 53

CITY OF WYANDOTTE
REQUEST FOR COUNCIL ACTION

6

MEETING DATE: October 28, 2013

AGENDA ITEM # _____

ITEM: Power Plant Roofing Project

PRESENTER: Jim Skarzynski - Safety Coordinator/Planner/Scheduler Power Plant

INDIVIDUALS IN ATTENDANCE: Rod Lesko-General Manager, Charlene Hudson-Power Systems Supervising Engineer

BACKGROUND: During October 2012 the roof above Bus #3 and Turbine 6 was replaced, after that roof was replaced a walk through on all the Power Plant roofs was completed and it was discovered that the current roofing membrane material was beyond repair on several of the other buildings at the Power Plant. The roofing membrane was found to be cracking due to the surrounding environmental conditions that the roof is being exposed to on a daily basis. We found on most of the buildings the membrane was so bad that we had to install temporary patches in order to keep the weather out of the buildings. During this process we determined that the temporary patches were not very economical, so a plan was put together to have all the roofs at the Power Plant replaced at one time. Bids were sent out for the replacement of the roofs at the Power plant in July 2013. The bid contained the specification that the awarding of the bid for the roof replacements at the Power Plant site would not be awarded until after the approval of the 2014 budget and that all labor pricing would have to remain as bid out. The material portion of the bids is to be purchased from Garland under the US Communities Procurement Program by WMS.

STRATEGIC PLAN/GOALS:

Remove existing roofs down to the deck. Chlorine Room, Hydrogen Room and Circuit Breaker Room are metal deck while the Boiler #5 and Indoor Bus Room sections are structural concrete. All copings are to be removed as well. Existing roofs consist of a 4-ply smooth BUR and a 1" EPS insulation and single-ply, PVC membrane. Daily roof demolition shall be limited to what can be replaced/weatherproofed that day. Inspect the deck for any deficiencies and make repairs/patches as necessary per the predetermined square foot price as quoted on the bid form. Any curbs lower than 6" are to be raised. Large pipe openings unable to be "raised" are to be designed and detailed per the manufacturer's recommendations. Abandoned units are to be capped with structural deck and roofed over. Prime the concrete roof deck as necessary and install a vapor barrier consisting of Torch Base. No vapor barrier/base sheet required at metal deck. Install 1" of Polyisocyanurate Insulation over Base Sheet utilizing insulation adhesive at the specified rate. Mechanically fasten at steel deck. Install ½" HD Densdeck or Securock utilizing insulation adhesive per the specified rates. Install an HPR Two-Ply Torch System comprised of a Garland torch Base sheet and a StressPly IV smooth cap sheet. New drains and leads are to be used at existing drain locations. Flashings to consist of a two-ply system of HPR Torch Base and StressPly IV Mineral cap. New copings are to be installed per specifications. At Boiler #5 roof, Stone cap is to remain where an overhang occurs. A termination bar set in sealant along with a counter-flashing is to be used. At areas where the stone is not covered, the joints are to be sealed with a non-sag polyurethane sealant. Flood and slag in cold process Black Knight Cold at a rate of 6 gallons per square at Boiler #5 and any other area determined to have slope less than ¼" per 12". At other sections where slope is greater than or equal to ¼" per 12", weatherscreen is to be used. Manufacturer to issue 30 year warranty.

ACTION REQUESTED: Concur with the resolution from the Wyandotte Municipal Services Commission and as recommended by WMS management authorizing acceptance of the lowest qualified bid from Molnar for the amount of \$450,440.00 for labor and Garland (US Communities Procurement Program) in the amount \$395,882.72 for the materials, total awarded bid for this project is \$846,322.72 for labor and materials.

BUDGET IMPLICATIONS & ACCOUNT NUMBER: Capital project was approved in the 2014 Electric Department capital budget for \$850,000.00. The project will be financed over 7 years at 2.0144% interest with Chase Bank which will be requested for approval under separate cover.

IMPLEMENTATION PLAN: Proceed with the awarding of the lowest qualified bid to Molnar to begin the tear down and re-construction of the roofs at the Power Plant after concurrence with the commission resolution by council, completion of financing and forwarding of all necessary documents.

COMMISSION RECOMMENDATION: Municipal Services Commission authorized the awarding of the lowest qualified bid for the roof replacement at the Power Plant to Molnar at the October 23, 2013.

CITY ADMINISTRATOR'S RECOMMENDATION: *Shayda*

LEGAL COUNSEL'S RECOMMENDATION: N/A

MAYOR'S RECOMMENDATION: *IRP by JD*

LIST OF ATTACHMENTS

- Signed Commission resolution
- Memo regarding bid award to WMS General Manager

RESOLUTION:

Wyandotte, Michigan
Date: October 28, 2013

BE IT RESOLVED by the City Council that Council Concurs with the Wyandotte Municipal Service Commission in the following resolution.

A Resolution authorizing the approval of awarding the lowest qualified bid for the roof replacement at City of Wyandotte Power Plant, 2555 Van Alstyne to the lowest qualified bidder, Molnar for the amount of \$846,322.72.

I move the adoption of the foregoing resolution.

MOTION by
Councilmen _____

Supported by Councilman _____

YEAS

COUNCIL

NAYS

Stec
Sabuda
Sutherby-Fricke
Galeski
Schultz
Miciura Jr.

BUDGET IMPLICATIONS: This capital project was approved in the 2014 Electric Department capital budget for \$850,000.00. The project will be financed over 84 months (7 years) at 2.0144% interest relative to the requirement to borrow utilizing the City's full faith and credit under an Installment Purchase Agreement.

IMPLEMENTATION PLAN: Award Molnar the labor bid and Garland US Communities the materials bid after approval from the Commission.

MAYOR REVIEW: Reviewed by City Administrator in conjunction with City Administrator review.

CITY ADMINISTRATOR REVIEW: Fine with disclosure of full faith and credit requirement in budget implication section.

LEGAL COUNSEL REVIEW: N/A

LIST OF ATTACHMENTS: Summary of Bid and recommendation letter to General Manager.

RESOLUTION:

WHEREAS, the Wyandotte Municipal Service Commission requested and received the lowest qualified bids from Garland under the US Communities Procurement program for Power Plant roofing materials in the amount of \$395,882.72 and from Molnar for the labor to install the roofing at the Power Plant in the amount of \$450,440.00, for a total awarded bid of \$846,322.72, and

WHEREAS, the bid award will proceed so that the construction process can be added to Molnar's construction schedule and therefore,

BE IT RESOLVED, by the Wyandotte Municipal Service Commission, a majority of its members thereto concurring, to award to Garland and Molnar, the lowest qualified bidders, the materials and labor bid respectively for the Power Plant Building roof replacement at 2555 Van Alstyne Wyandotte, Michigan.

I move the adoption of the foregoing resolution.

MOTION by Commissioner JERRY

Supported by Commissioner FRED

<u>YEAS</u>	<u>COMMISSIONER</u>	<u>NAYS</u>
✓	Cole	
✓	Figurski	
✓	Sadowski	
✓	Lupo	
✓	Delisle	

ADOPTED this

ATTEST:

WYANDOTTE MUNICIPAL SERVICE COMMISSION

By: James S. Figurski
President

By: [Signature]
Secretary

Municipal Service Commission
Gerald P. Cole
Frederick C. DeLisle
James S. Figurski
Leslie G. Lupo
Michael Sadowski



Electric, Steam, Water
Cable Television and High Speed Internet
Service since 1889

Roderick J. Lesko
Acting General Manager and Secretary
3200 Biddle Avenue, P.O. Box 658
Wyandotte, MI. 48192-0658
Telephone: (734) 324-7100
Fax: (734) 324-7119

Mr. Rod Lesko
General Manager
Wyandotte Municipal Services

October 11, 2013

Dear Mr. Lesko,

Back in October of 2012 the roof above Bus #3 and Turbine 6 was replaced, after that roof was replaced we did a walk through on all the Power Plant roofs and discovered that the current roofing membrane material was beyond repair on several of the other buildings at the Power Plant. The roofing membrane was found to be cracking due to the surrounding environmental conditions that it is being exposed to on a daily basis. We found on most of the buildings the membrane was so bad that we had to install temporary patches in order to keep the weather out of the buildings. During this process we determined that the temporary patches were not very economical, so a plan was put together to have all the roofs at the Power Plant replaced at one time. Bids were sent out for the replacement of the roofs at the Power plant in July of 2013. The bid contained the specification that the awarding of the bid for the roof replacements at the Power Plant site would not be awarded until after the approval of the 2014 budget and that all labor pricing would have to remain as bid out. The material portion of the bids is to be purchased from Garland under the US Communities Procurement Program by WMS.

Due to the complexity of the project, Bid file #4624 roof replacement at 2555 Van Alstyne, there was a shortlist of bidders, so four contractors were invited to bid on the project via email. The bids were received and opened on July 29, 2013. We received four bids, the bids received for 2555 Van Alstyne were for the purpose of getting a 2014 budget number and would not be awarded until the approval of the 2014 Water Department Budget by WMS Commission.

The bids received for the Power Plant project consisted of labor, and materials needed for the project. To save costs WMS will purchase the materials under a separate pricing received from Garland under the US Communities Procurement program.

Scope of work at 2555 Van Alstyne is as following:

- 1). Remove existing roofs down to the deck. Note that the Chlorine Room, Hydrogen Room, and Circuit Breaker Room are metal deck while the Boiler #5 and Indoor Bus Room sections are structural concrete. All copings are to be removed as well. Existing roofs consist of a 4-ply smooth BUR and a 1" EPS insulation and single-ply, PVC membrane. Daily roof demolition shall be limited to what can be replaced/weatherproofed that day.
- 2). Inspect the deck for any deficiencies and make repairs/patches as necessary per the predetermined square foot price as quoted on the bid form.
- 3). Any curbs lower than 6" are to be raised. Large pipe openings unable to be "raised" are to be designed and detailed per the manufacturer's recommendations. Abandoned units are to be capped with structural deck and roofed over.
- 4). Prime the concrete roof deck as necessary and install a vapor barrier consisting of Torch Base. No vapor barrier/base sheet required at metal deck.
- 5). Install 1" of Polyisocyanurate Insulation over Base Sheet utilizing insulation adhesive at the specified rate. Mechanically fasten at steel deck.
- 6). Install ½" HD Densdeck or Securock utilizing insulation adhesive per the specified rates.
- 7). Install an HPR Two-Ply Torch System comprised of a Garland torch Base sheet and a StressPly IV smooth cap sheet. New drains and leads are to be used at existing drain locations.
- 8). Flashings to consist of a two-ply system of HPR torch Base and StressPly IV Mineral cap.
- 9). New copings are to be installed per specifications. At Boiler #5 roof, the Stone cap is to remain where an overhang occurs. A termination bar set in sealant along with a counter-flashing is to be used. At areas where the stone is not covered, the joints are to be sealed with a non-sag polyurethane sealant.
- 10). Flood and slag in cold process Black Knight Cold at a rate of 6 gallons per square at Boiler #5 and any other area determined to have slope less than ¼" per 12". At other sections where slope is greater than or equal to ¼" per 12", Weatherscreen is to be used.
- 11). Manufacturer to issue 30 year warranty.

***At Boiler #5, a divider wall is to be built at the adjacent roof sections. The smaller area is to have an overflow scupper so drainage is not impeded. All tie-ins are to use similar materials.

The following is a listing of the bidders and submitted bids:

Molnar-----	Labor \$450,440.00	Materials \$395,882.72	Total \$846,322.72
Laduke-----	Labor \$497,000.00	Materials \$414,146.00	Total \$911,146.00
Schena-----	Labor \$478,975.00	Materials \$398,346.83	Total \$877,321.83
TF Beck----	Labor \$628,063.00	Materials \$537,939.00	Total \$1,166,002.00

The lowest "qualified bid", was from Molnar with bid at \$846,322.72 they attended the pre-bid, they supplied a bid bond or a performance/labor bond for the proposed work, and a certificate of insurance was submitted. Obviously, the cost difference between the highest bidder and Molnar is substantial at \$319,679.28.

My recommendation is to utilize Molnar as they have a clear understanding of the project, were able to follow the criteria established within the bid documents and are the low bidders for the project.

This capital project was approved in the 2014 Electric Department capital budget for \$850,000.00. The project will be financed over 7 years at approximately 2% interest.

Should you need any additional information from me, please don't hesitate to contact me.

Sincerely,

James Skarzynski
Power Plant

CITY OF WYANDOTTE
REQUEST FOR COUNCIL ACTION

MEETING DATE: October 28, 2013

AGENDA ITEM # _____

7

ITEM: Zapplication Renewal Agreement

PRESENTER: Heather A. Thiede, Special Event Coordinator

INDIVIDUALS IN ATTENDANCE: Heather A. Thiede, Special Event Coordinator

BACKGROUND: As you are aware, the Special Event Office is in the process of organizing the 2014 Wyandotte Street Art Fair. Please find the attached contract renewal agreement for ZAPPLICAITON for the 2014 Wyandotte Street Art Fair. We had a major increase in artist applications for the 2011, 2012 and 2013 shows and feel that the online application process will absolutely develop and promote our show for the future. We have contracted with this company for the last four years.

STRATEGIC PLAN/GOALS: The City of Wyandotte hosts several quality of life events throughout the year. These events serve to purpose the goals of the City of Wyandotte by brining our community together with citizen participation and supporting the local businesses and non-profit organizations.

ACTION REQUESTED: Please take this agreement into consideration, as your approval and subsequent signing will allow us to continue planning this celebratory event.

BUDGET IMPLICATIONS & ACCOUNT NUMBER:

\$1,000 – WSAF Expense Account – 285-225-925-730-860

IMPLEMENTATION PLAN: The resolutions and all necessary documents will be forwarded to the Mayor and City Clerk to sign then forwarded to the Special Events Coordinator.

COMMISSION RECOMMENDATION: N/A

CITY ADMINISTRATOR'S RECOMMENDATION: *W. Dwyer*

LEGAL COUNSEL'S RECOMMENDATION: Concur with recommendation, approval on file.

MAYOR'S RECOMMENDATION: *JRP by JD*

LIST OF ATTACHMENTS

Zapplication Renewal Agreement

MODEL RESOLUTION:

RESOLUTION

Wyandotte, Michigan
Date: October 28th 2013

RESOLUTION by Councilman _____

BE IT RESOLVED by the City Council that Council Concurs with the Special Event Coordinator in the following resolution.

A Resolution authorizing the approval of the Zapplication Renewal Agreement and that the Mayor and City Clerk be and hereby are directed to indorse said agreement and forward to the Special Events Coordinator.

I move the adoption of the foregoing resolution.

MOTION by
Councilmen _____

Supported by Councilman _____

YEAS

COUNCIL

NAYS

Browning
DeSana
Fricke
Galeski
Sabuda
Stec

ZAPP® SERVICE RENEWAL AGREEMENT–Small Show

ZAPP Software, LLC | 1743 Wazee Street Suite 300 | Denver, CO 80202 |
P (303) 629.1166 | F (303) 629.9717 | www.zapplication.org



This **Renewal Agreement** ("Agreement") is dated 10-24, 2013 ("Effective Date") and entered into between **ZAPP Software, LLC**, a Colorado limited liability company ("**ZAPP**"), and the client identified in the signature block of this Agreement ("**Client**"), for the renewal of Client's term under the original ZAPP Service Agreement dated 10-24, 2013 between ZAPP and Client (the "Service Agreement"), as follows:

1. Annual Renewal and Fees. ZAPP and Client agree that Client remains eligible for ZAPP's small show pricing structure. Client agrees to renew its ZAPP® Service under the Service Agreement for the following access term and use fees per show during that term, as follows:

Access Term: Nov 18 2013 to March 30 2014

Use fees:

Application module

0-150 applications received: \$1,000.00 (base fee–includes online jury) **OR**

151+ applications received: \$6.75 per application (includes online jury)

Optional modules: By checking the box(es), Client elects to use the module(s) for the Access Term above, and accordingly, agrees to pay the corresponding use fees.

Projected jury image management module: \$1,500.00

Multiple show module: \$500.00, for up to 5 additional shows*

*Client must complete and submit Attachment 1 for each event hosted (e.g. fall, spring).

2. Meaning of Terms. Unless otherwise provided in this Agreement, the terms used in this Agreement shall have the same meaning ascribed to them in the Service Agreement.

3. Entire Agreement. This Agreement shall be deemed as a part of the Service Agreement. Except as modified by this Agreement, all terms and conditions of the Service Agreement remain in full force and effect. Any reference to the Service Agreement in any other documents shall be construed as including this Agreement.

The duly authorized representatives of ZAPP and Client have executed this Agreement as of the Effective Date.

Client	ZAPP
Incorporated in (state):	ZAPP Software, LLC a Colorado limited liability company
Signature:	Signature:
Printed:	Printed:
Title:	Title:
Address:	ZAPP Manager 1743 Wazee Street, Suite 300 Denver, CO 80202

**ATTACHMENT 1
CLIENT INFORMATION FORM**

ZAPP, LLC | 1743 Wazee Street Suite 300 | Denver, CO 80202 | P (303) 629.1166 | F (303) 629.9717 | www.zapplication.org

Event Information (the "Show")

Name of Event: <u>Wyandotte Street Art Fair</u>	
Event Start Date: <u>July 9th</u>	Event End Date: <u>July 12th</u>
Open Application Date: <u>Nov. 18th 2013</u>	Application Deadline: <u>March 3rd 2014</u>
Jury Dates: <u>March 4th 2014</u>	Application Fee: <u>\$30 - jury fee</u>
Website: <u>wyandottestreetartfair.org</u>	Number of applications collected last year:

Contact Information

Contact 1: individual who will administer the event in the ZAPP system or main point of contact

Name	<u>Heather Thiede</u>
Organization	<u>City of Wyandotte - WSAF</u>
Email	<u>hthiede@wyan.org</u>
Phone	<u>734-324-4502</u>
Mailing Address (no PO Boxes)	<u>2624 Biddle Ave. Wyandotte, MI. 48192</u>
Remittance Address (if different)	-

Contact 2: individual to receive invoices / statements / remittance payments (if different from above)

Name	
Organization	
Email	
Phone	
Mailing Address	
Remittance Address (if different)	

Fee Payment Schedule

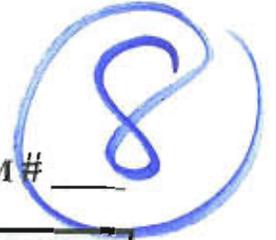
- Automatically deduct from revenue
- Payment up front by credit card*
- Payment up front by check*

*Payment must be received by ZAPP team before event can be activated.

ZAPP USE ONLY

Fee Type	Amount	Payment	Notes
Setup		received/auto/Invoice/N/A	
Application		received/auto/Invoice/N/A	
Image Management		received/auto/Invoice/N/A	
Per App/Image		received/auto/Invoice/N/A	
Multiple		received/auto/Invoice/N/A	
Equipment		received/auto/invoice/N/A	
Shipping		received/auto/invoice/N/A	
Tech Assistance		received/auto/Invoice/N/A	

CITY OF WYANDOTTE
REQUEST FOR COUNCIL ACTION



MEETING DATE: October 28, 2013

AGENDA ITEM # _____

ITEM: Collective Bargaining Agreement – Police Patrol Officers (POAM)

PRESENTER: Todd A. Drysdale, City Administrator *T. Drysdale*

INDIVIDUALS IN ATTENDANCE: N/A

BACKGROUND: The City's collective bargaining agreement with the Wyandotte Police Patrol Officers Association-Police Officers Association of Michigan (POAM) expired on January 31, 2012. Attached for your review and approval are three (3) Memorandums of Understanding between the City of Wyandotte and the POAM relating to the collective bargaining agreement for the period from February 1, 2012 through December 31, 2015. Also attached is the Arbitrator's decision from the Act 312 arbitration hearing. This arbitration was held based on the petition by the Union. In addition to changes in various operational work rules, these tentative agreements provide for the following:

1. No wage increase.
2. Elimination of longevity pay.
3. Reduction of 1.58% in holiday pay.
4. Change in definition of overtime included in final average compensation for pension purposes.
5. Change in promotional process
6. A revision in the cost-sharing formula for active employee health insurance coverage.
7. An increase in prescription copayment for new retirees of the bargaining unit.
8. Increase in the payment-in-lieu of health care coverage.

STRATEGIC PLAN/GOALS: To be financially responsible

ACTION REQUESTED: The undersigned recommends approval of these tentative agreements. The Mayor and City Clerk should be instructed to execute this agreement.

BUDGET IMPLICATIONS & ACCOUNT NUMBER: Savings of approximately 8% of total compensation will be realized. Savings were already incorporated into the 2013 FY Budget and 5-year Financial Forecast for the General Fund.

IMPLEMENTATION PLAN: The City Administrator will prepare a new collective bargaining agreement for the aforementioned period.

COMMISSION RECOMMENDATION: N/A

CITY ADMINISTRATOR'S RECOMMENDATION: Concur

LEGAL COUNSEL'S RECOMMENDATION: Collective bargaining agreement will be reviewed by the City's Labor Attorney prior to signature. Labor attorney has reviewed the tentative agreements.

MAYOR'S RECOMMENDATION: JRP JJJ JO

LIST OF ATTACHMENTS:

1. Memorandum of Understanding dated March 20, 2013
2. Second Memorandum of Understanding dated March 21, 2013
3. Third Supplemental Memorandum of Understanding dated May 29, 2013
4. Panel's Findings, Opinion and Orders -- Act 312 Arbitration dated September 12, 2013

MODEL RESOLUTION:

RESOLVED by the City Council that Council hereby CONCURS in the recommendation of the City Administrator and APPROVES the tentative agreements between the City of Wyandotte and the Wyandotte Police Patrol Officers Association-Patrol Officers Association of Michigan (POAM) and

Further instructs the City Administrator to prepare the collective bargaining agreement for period of February 1, 2012 through December 31, 2015, and

Further authorizes the Mayor and City Clerk to execute said agreement.

Memorandum of Understanding

The City of Wyandotte ("City"), the Police Officers Association of Michigan and the Wyandotte Police Officers Association (collectively, "the Union"), agree as follows:

1. The parties' collective bargaining agreement will be effective from February 1, 2012 to ~~January 31, 2013~~. Except as modified by this Memorandum, or if raised in either the Union's Act 312 Petition or the City's Answer to the Petition, the terms of the parties' February 1, 2009 to January 31, 2012 collective bargaining agreement will be continued in the February 1, 2012 – ~~January 31, 2013~~ collective bargaining agreement. New language is indicated by underlining; deleted language is indicated by asterisks.

2. Probation (14.1-14.2): Effective February 1, 2012, amend Section 14.1 to provide that the probationary period for new hires will be eighteen (18) months.

3. Pay Advances (17.2): Amend Section 17.2 to not allow pay advances:

*** Pay advances shall not be allowed.

4. Overtime Calculation (19.1): Amend Section 19.1 to provide that overtime will be calculated at 1.5 times the employees' current base wage:

Overtime will be calculated by dividing the base rate *** by 20-0.

5. Longevity (24.1): Eliminate longevity bonus and all of Section 24.1, effective January 1, 2013.

6. Prescription Reimbursement (28.2): Eliminate all of Section 28.2, effective January 1, 2013.

7. Medical Insurance for Retirees (28.4): Amend Section 28.4(B): Prescription coverage increased (for all three options) to \$15/30 for employees who retire after September 30, 2012.

8. Article XXVIII shall be amended by adding the following as Section . . .

If the City Council approves the 80%-20% option under P.A. 154 of 2011, the employee's contribution shall be made by pre-tax deduction from each paycheck.

9. Promotion (Art XV, 15.5): Amend Section 15.5 as follows:

15.5: Promotional Procedure. Promotional tests will be administered by the EMPCO or another mutually agreed upon testing agency and will be conducted by the City Director of Finance and Administration, who will maintain testing files, and shall certify the promotion list to both the Department and the Commission.

A. Written Examination.

Written test will provide 50 points. Persons not scoring at least 70% on the written examination are not eligible for and will not receive any points for the written examination, oral examination, or seniority. Highest score above 70% will receive 50 points. Lesser scores above 70% will receive points based on mathematic relation to top score.

In the event that none of the participants achieve a score of 70%, a second test will be offered within sixty (60) days. If none of the participants achieve a score of 70% on the second examination, a sergeants or detective list will not be established for the period.

B. Oral Examination.

An oral board utilizing an outside, independent, interview panel consisting of four (4) certified police officers of the rank of the position sought or higher, plus the Chief, will be used. Each member of the interview panel will have four (4) points for a total of 20. Members of the interview panel, other than the Chief are prohibited from having any kind of relationship to the City of Wyandotte including, but not limited to, relatives employed by the City, relatives elected or appointed to City government, relatives appointed as Commissioners in any capacity.

C. Seniority.

A maximum of 10 points will be awarded for department seniority. Candidates with lesser department seniority shall be awarded points mathematically determined based upon the total calendar days of seniority as percentage of that of the most senior candidate.

Evaluation.

Departmental evaluations for the prior year will be used. A maximum of 20 points will be awarded.

5/15/10
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B...

10. Sick Time (Article XXI): Amend Article XXI by adding the following as Section 23 1(J) and (K):

Employees must keep one hundred fifty (150) hours of sick time in their sick accrual balance to be eligible to work any special details.

If an employee uses any sick time during a pay period, he will be ineligible for overtime during the current and subsequent pay period. This provision will not apply to employees who maintain a sick time balance of two hundred eighty-eight (288) hours.

11. Interrogation and Disciplinary Procedure (Art XXXIV): Amend Article XXXIV by removing the reference to the trial board in Section 14 and amending the time limits for the use of prior disciplinary action in Section 15:

14. Members accused of violating department rules, regulations, policies or procedures shall have the presumption of innocence until such time as the accused pleads guilty or is found guilty * * * by an arbitrator (if so appealed).

15. Time Limits for the use of prior disciplinary action in supporting new discipline in the grievance procedure, including arbitration, shall be as follows:

- a) Verbal reprimand 2 years from date of offense
- b) Written reprimand 3 years from date of offense
- c) Suspension Indefinitely

All discipline shall remain in the employee's personnel file.

12. Requirement for direct deposit of pay: Amend Section 17.1 as follows:

Employees will be paid by direct deposit not later than sixty (60) hours after completion of the pay period, except for equipment breakdown and emergencies, as determined by the Finance Director. The Finance Director will notify the Treasurer of any such breakdown or emergency.

13. Financial manager language: Amend Article I by adding the following as Section 1.4:

This Agreement adopts by reference any terms and conditions imposed by the State of Michigan, the Department of Treasury, Act 436 of 2012 or any other regulation or law adopted by the State of Michigan.

The inclusion of this language or any language required under Section 15(7) of the Public Employment Relations Act does not constitute an agreement by the Union to the substantive or procedural content of the language. In addition, inclusion of the language does not constitute a waiver of the Union's right to raise

Constitutional and/or other legal challenge (including contractual or administrative challenges) to the validity of: (1) appointment of an Emergency Manager; (2) PA 436 of 2012, as amended, (Local Financial Stability and Choice Act ("the Act")); or (3) any action of an Emergency Manager which acts to reject, modify or terminate the collective bargaining agreement. This Section shall immediately become null and void if that Act is stayed, reversed in a referendum, or ruled unconstitutional or reversed in a final decision by the Michigan Supreme Court, the Michigan Court of Appeals or a federal court.

14. Article XXXV, Pension, shall be amended by adding the following Section 11:

In years where the City Council, in its sole discretion, authorizes a "13th check" as a supplemental retirement benefit, that supplemental benefit shall be calculated as follows:

<u>0- complete years retired:</u>	<u>None</u>
<u>> 3-10 complete years retired:</u>	<u>50% of calculated benefit;</u>
<u>> 10-15 complete years retired:</u>	<u>100% of calculated benefit;</u>
<u>> 15-20 complete years retired:</u>	<u>150% of calculated benefit;</u>
<u>> 20 complete years retired:</u>	<u>200% of calculated benefit;</u>

15. Article XCVII, Section 28.3C-D] shall be amended as follows [the remainder of 28.3 shall remain unchanged].

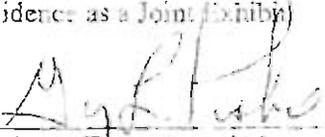
C. If an employee is covered by his/her spouse's health insurance and not covered under the City's health, dental or vision insurance contract, then the employee shall receive a post-paid allowance in the amount of \$125.00, (~~\$400.00~~, effective January 1, 2013), for each month that said employee is not covered under any of City health, dental or vision insurance contract. Payment of this allowance shall be made quarterly in April, July, October, and January of each year. Should the employees' coverage under his/her spouse be terminated, the employee, upon notification to the City, will be immediately placed upon the City health care coverage and the \$400.00 paid allowance be discontinued.

D. * * *

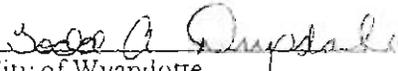
If an employee who is not participating in the City's health care plan and is receiving \$125 (or \$400)/month, and does not receive dental and vision coverage from another source, that employee may receive dental and vision coverage through the City * * * at his sole cost. That employee cannot coordinate or duplicate vision or dental benefits being received from any healthcare provider. * * * This employee must submit an affidavit stating that vision and dental benefits are not being received from another source before vision and dental benefits are provided by the City.

16. The terms of this Memorandum will be effective on the date the February 1, 2009-January 31, 20__ collective bargaining agreement is signed by both the City and the Union, unless a different date is indicated.

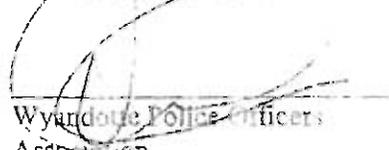
17. If the parties proceed to Act 312 arbitration, this Memorandum shall be admitted into evidence as a Joint Exhibit.



Police Officers Association
Its: Staff Representative



City of Wyandotte
Its: City Administrator



Wyandotte Police Officers
Association
Its: President

Date: January 20, 2013
MARCH


ACT 312 CHAIRMAN

Second Memorandum of Understanding

The City of Wyandotte ("City"), the Police Officers Association of Michigan and the Wyandotte Police Officers Association (collectively, "the Union"), agree as follows:

1. The parties' collective bargaining agreement will be effective from February 1, 2012 to *December 31, 2015*. Except as modified by this Second Memorandum or the parties' first Memorandum of Understanding, or if raised in either the Union's Act 312 Petition or the City's Answer to the Petition, the terms of the parties' February 1, 2009 to January 31, 2012 collective bargaining agreement will be continued in the February 1, 2012 – *December 31, 2015* collective bargaining agreement. New language is indicated by underlining; deleted language is indicated by asterisks.

2. The City withdraws the following issues identified in its Answer to the Act 312 Petition (numbering is as listed in the City's Answer):

Bonus vacation days (economic) – item (B)2

3. The Union withdraws the following issues identified in its Act 312 Petition (numbering is as listed in the City's Answer):

DROP Program (economic) – item A(3)

Public Safety (economic) – item A(4)

Residence Incentive (economic) – item A(6)

Professional Development Compensation – item A(7)

4. *Longevity: any bargaining unit member who has received longevity bonus prior to March 31, 2013, shall not be required to refund that payment back to the City.*

5. Holiday pay - Section 25.3 shall be amended as follows:

Holiday pay will be calculated at 6.88% of the employee's current base pay. Effective April 1, 2013, Holiday pay will be calculated at 5.30% of the employee's current base pay.

6. Health Insurance - *Effective May 1, 2013, or as soon thereafter as possible, the following shall replace all of current Section 28.1:*

* * *

From the period of February 1, 2012 through April 30, 2013, the terms of health insurance outlined in the previous collective

bargaining agreement (as interpreted by the arbitration award in Grievance No. 12-141) shall apply.

All employees will have the choice of the following group health insurance (which includes hospitalization, dental, vision, and prescription drug coverage) for each eligible employee, spouse, and dependents under the age of twenty-six (26) years of age. If the Federal Health Care laws regarding mandatory dependent coverage are subsequently changed, the coverage age will be revised to twenty-three (23) years of age.

Blue Cross/Blue Shield Community Blue PPO 3

- A Hospitalization: Blue Cross Blue Shield Community Blue Plan 3: (Community Blue Basic, ASFP, BMI, CB-PCB, CRNA, CNM, CNP, DXTMG, EBMT, ECIP, ESRD, FC DC, GCO, GLE-1, HMN, ICMP, K260, PTFS-COMPS, PTS-PSG, SUBRO2, SOTPF, RAPS)
- B Prescription: Blue Cross Blue Shield Drug Rider: PD-CR \$15.00, GENERIC/\$30.00 BRAND, MOPD \$15.00, GENERIC/\$30.00 BRAND, PREFERRED RX, PD-BC2X, RXDAA
- C Dental: Blue Cross Blue Shield Group Dental Care: Class I -- 100%; Class II -- 80%, Class III -- 50% with a \$50 per person/\$100 per family deductible; \$1,000.00 per year for Classes I, II, III; Class IV -- Orthodontics Services 50% lifetime limitation \$1,000.00 up to age 19. (K1000, CDC-FC, DXTMG, RDC-DENTAL, SUBRO2, OS-50-1000, FC DC, GCO)
- D Vision: Blue Cross Blue Shield Vision Plan: VCA-80, FLVS(A), FC DC, GCOC.

Blue Care Network HMO

- A Hospitalization: Blue Care Network Plan #129760. (HMO)
- B Prescription: Prescription Drug \$15.00, Generic/\$30.00 Brand, MOPD \$15.00 Generic/\$30.00 Brand.

- C. Dental: Blue Cross Blue Shield Group Dental Care: Class I - 100%; Class II - 80%, Class III - 50% with a \$50 per person/\$100 per family deductible; \$1,000.00 per year for Classes I, II, III; Class IV - Orthodontics Services 50% lifetime limitation \$1,000.00 up to age 19. (K1000, CDC-FC, DXTMG, RDC-DENTAL, SUBRO2, OS-50-1000, FC DC, GCO)
- D. Vision: Blue Cross Blue Shield Vision Plan: VCA-80, FLVS(A), FC DC, GCOC.

The City will be responsible for the remaining premium cost of this coverage, after the required contribution is made by the employee in accordance with Public Act 152 of 2011 (Publicly Funded Health Insurance Contribution Act), as long as the cost of either Community Blue 3 or Blue Care Network is within the following ranges of the lower priced of these two (2) coverages: 27.00% for single contract, 21.70% for two person contract, and 10.00% for a family contract. Any costs in excess of the aforementioned ranges will be paid entirely by the employee.

All employees may voluntarily elect the following coverage (Community Blue Plan 1 PPO) with the difference in cost from the Community Blue Plan 3 PPO (described above) being borne by the employee through payroll deduction

Blue Cross/Blue Shield Community Blue PPO 1 - Voluntary Coverage

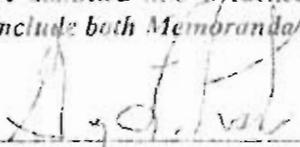
- A. Hospitalization: Blue Cross Blue Shield Community Blue Plan 1: (Community Blue Basic, ASFP, BMT, CB-PCB, CRNA, CNM, CNP, DXTMG, EBMT, ECIP, ESRD, FC DC, GCO, GLE-1, HMN, ICMP, K260, PTFS-COMPS, PTS-PSG, SUBRO2, SOTPE, RAPS)
- B. Prescription: Blue Cross Blue Shield Drug Rider: PD-CR \$15.00 GENERIC/\$30.00 BRAND, MOPD \$15.00 GENERIC/\$30.00 BRAND, PREFERRED RX, PD-BC2X, RXDAA
- C. Dental: Blue Cross Blue Shield Group Dental Care: Class I - 100%; Class II - 80%, Class III - 50% with a \$50 per person/\$100 per family deductible; \$1,000.00 per year for Classes I, II, III; Class IV - Orthodontics Services 50% lifetime limitation

\$1,000.00 up to age 19. (K1000, CDC-FC, DXTMG, RDC-DENTAL, SUBRO2, OS-50-1000, FC DC, GCO)

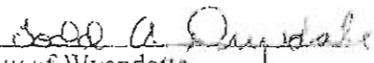
D Vision: Blue Cross Blue Shield Vision Plan: VCA-80, FLVS(A), FC DC, GCOC.

7. Wages: Base wages shall be frozen for the duration of the contract.

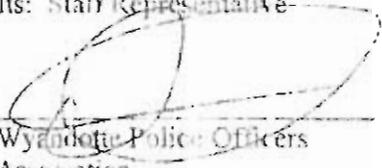
8. If the parties proceed to Act 312 arbitration, *the Memorandum of Understanding dated March 20, 2013 and this second Memorandum of Understanding dated March 20, 2013 shall be admitted into evidence as a Joint Exhibit. The chairman of the arbitration panel shall include both Memoranda as part of the arbitration award.*



Police Officers Association
Its: Staff Representative

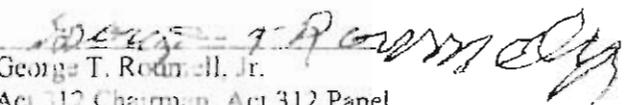


City of Wyandotte
Its: City Administrator



Wyandotte Police Officers
Association
Its: President

Date: March 20, 2013



George T. Rounell, Jr.
Act 312 Chairman, Act 312 Panel

Date: March 21, 2013

Third Supplemental Memorandum of Understanding

The City of Wyandotte ("City"), the Police Officers Association of Michigan and the Wyandotte Police Officers Association (collectively, "the Union"), agree as follows:

1. The parties' collective bargaining agreement will be effective from February 1, 2012 to January 31, 2015. Except as modified by this Third Memorandum of Understanding or the parties' first two Memorandums of Understanding, or if raised in either the Union's Act 312 Petition or the City's Answer to the Petition, the terms of the parties' February 1, 2009 to January 31, 2012 collective bargaining agreement will be continued in the February 1, 2012 - January 31, 2015 collective bargaining agreement. New language is indicated by underlining; deleted language is indicated by asterisks.

2. Promotions (Art XV, 15.5): Amend Section 15.5 by adding the following as 15.5(D):

D. Evaluation.

Departmental evaluations for the prior year will be used. A maximum of 20 points will be awarded. The attached evaluation form shall be used.

3. Sick Time (Article XXI): The January 20, 2013 Memorandum of Understanding shall be revised to amend Article XXI by adding the following as Section 23.1(J) and (K):

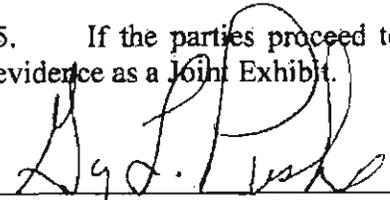
J. Employees must keep one hundred fifty (150) hours of sick time in their sick accrual balance to be eligible to work any overtime.

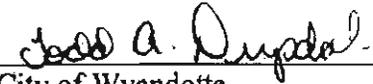
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voluntarily 

K. If an employee uses any sick time during a pay period, he will be ineligible for overtime during the current and subsequent pay period. This provision will not apply to employees who maintain a sick time balance of two hundred eighty-eight (288) hours.

4. The terms of this Memorandum will be effective on the date the February 1, 2009-January 31, 2015 collective bargaining agreement is signed by both the City and the Union, unless a different date is indicated.

5. If the parties proceed to Act 312 arbitration, this Memorandum shall be admitted into evidence as a Joint Exhibit.


Police Officers Association
Its: Staff Representative


City of Wyandotte
Its: City Administrator

97-EX-45
ADMITTED



Wyandotte Police Officers
Association
Its: President

Date: May 29, 2013

APPROVED:

George T. Roumell, Jr.
Act 312 arbitrator

Wyandotte/POAM/patrol2012/Act312/thirdmemoofunderstanding-1

(3) **MEETS EXPECTATIONS:** Speaks clearly with superiors, peers, subordinates, and the general public so that information is readily understood. Listens well and gives proper responses. Keeps emotions under control and uses proper voice tone. Exhibits appropriate demeanor.

(0) **NEEDS IMPROVEMENT:** Seldom speaks in a clear and concise manner. Oral communication often lacks clarity and/or accuracy in expression of thought. Employs improper voice inflection and voice command (too soft or too loud). Body language exhibits lack of interest or attentiveness (i.e., looks away from speaker, does not respond to questions or makes inappropriate comments, has to have questions repeated, often interrupts speaker). Uses improper grammar and/or vocabulary.

COMMENTS _____

OFFICER SAFETY

Displays appropriate concern for his/her safety as well as the safety of fellow officers and others (i.e., suspects, victims, etc.).

(5) **EXCEEDS EXPECTATIONS:** Consistently follows sound safety practices utilizing safety equipment as designed. Recognizes potentially dangerous situations and takes proper steps to minimize or control it. Routinely searches and handcuffs when appropriate. Uses own initiative to back up other officers. Consistently moves to area of anticipated calls for service.

(3) **MEETS EXPECTATIONS:** Utilizes safety equipment and demonstrates good officer safety practices. Situations do not worsen due to officer's actions. Uses proper control techniques with suspects and prisoners. Provides back up for other officers.

(0) **NEEDS IMPROVEMENT:** Fail to recognize and/or respond to dangerous situations. Engages in behavior that endangers himself/herself or other people. Inconsistent use of safety equipment and fails to follow common safety practices. Fails to back up other officers unless directed.

COMMENTS _____

RELIABILITY

Evaluation of officer's attendance, compliance with departmental rules and regulations, and the degree to which the officer can be relied upon to perform the job without close supervision.

(5) **EXCEEDS EXPECTATIONS:** Is consistently on time and properly prepared for assignments. Consistently adhere to rules, regulations, policies and procedures. Officer monitors own work to ensure quality, and requires little or no supervision.

(3) **MEETS EXPECTATIONS:** Officer is reliable and generally prepared for each assignment. Generally adheres to rules, regulations, policies and procedures. Completes assignments, requires only occasional supervision.

(0) **NEEDS IMPROVEMENT:** Officer is frequently tardy and not prepared for assignments. Fails to follow rules, regulations, policies and procedures. Requires frequent, close supervision to ensure acceptable completion of assignments.

COMMENTS _____

JOB KNOWLEDGE

Displays and maintains knowledge of departmental, criminal justice system, and law enforcement rules, regulations and standard operating procedures.

(5) **EXCEEDS EXPECTATIONS:** Thoroughly familiar and compliant with department policies, rules and regulations. Thoroughly familiar and compliant with prosecutorial and law enforcement standard operating procedures. Thoroughly familiar with available resources and utilizes them appropriately. Thorough knowledge of law and applies it effectively.

(3) **MEETS EXPECTATIONS:** Is familiar and compliant with departmental policies, rules and regulations. Familiar and compliant with prosecutorial and law enforcement standard operating procedures. Familiar with available resources and generally utilizes them properly. General knowledge of law and applies it effectively.

(0) **NEEDS IMPROVEMENT:** Is unfamiliar with and/or does not comply with departmental policies, rules and regulations. Is unfamiliar and/or does not comply with prosecutorial or standard law enforcement operating procedures. Is unfamiliar with and/or fails to make use of available resources. Lacks knowledge of law and/or fails to apply it effectively.

COMMENTS _____

INTERPERSONAL SKILLS

Officer's ability to interact with persons in the community and with persons within the departmental environment.

(5) **EXCEEDS EXPECTATIONS:** Treats others as he/she would expect to be treated under routine, stressful or emergency situations. Actions and behavior create a climate of mutual trust. Extremely sensitive to the rights of all persons. Consistently handles situations with extreme tact and sensitivity. Discourages and diffuses rumors.

(3) **MEETS EXPECTATIONS:** Treats others with respect and dignity. Is courteous, approachable, and able to communicate effectively with all persons. Aware of the rights of all persons. Generally handles situations with tact and sensitivity. Does not promote or start rumors.

(0) **NEEDS IMPROVEMENT:** Fails to treat others with respect and dignity. Actions offends the rights of others. Handles situations without tact, diplomacy, or sensitivity. Participates or promotes rumors to the detriment of the department.

COMMENTS _____

DECISION MAKING

Ability to make sound decisions in a timely manner, consistent with departmental policy, law and professional ethics, and with consideration for unique circumstances and the consequences of his/her decision.

(5) **EXCEEDS EXPECTATIONS:** When faced with routine, stressful, or difficult situations, consistently considers all pertinent data. Consistently makes the proper decision within his/her authority and is prepared and able to justify it.

(3) **MEETS EXPECTATIONS:** Decisions are routinely made with minimal supervision and within established guidelines. Reasonable consideration is given to the consequences and/or circumstances impacting decisions. Decisions are made in a timely manner. Justification of decisions reflects a logical thought process and common sense.

(0) **NEEDS IMPROVEMENT:** Decisions are often inappropriately deferred to other officers or supervisors. Decisions are not made in a timely manner. Fails to consider the consequences and/or circumstances impacting decisions. Decisions fall outside established guidelines. Unable to justify decisions.

COMMENTS _____

TIME MANAGEMENT

Ability to organize and plan work activities effectively, including the prioritization of task completion to meet schedules and deadlines.

(5) **EXCEEDS EXPECTATIONS:** Consistently formulates plans that maximize productivity and the effective use of time. Submits reports and documents without taking excessive time to complete. Consistently responds to the request of a supervisor in a timely fashion.

(3) **MEETS EDXPECTATIONS:** Generally formulates plan to use time effectively. Generally submits reports and documents without taking excessive time to complete. Generally responds to the request of a supervisor in a timely fashion.

(0) **NEEDS IMPROVEMENT:** Seldom plans for task or assignment. Has no system for organization of time or wastes time. Seldom submits reports or documents on time. Uses inappropriate amount of time to respond to the request of a supervisor.

COMMENTS _____

PROFESSIONAL CONDUCT

Promotes a positive image of department through proper professional appearance, demeanor, and by treating everyone fairly.

(5) **EXCEEDS EXPECTATIONS:** Consistently tactful, courteous, and fair with everyone. Consistently complies with departmental dress and grooming standards. Shows strong support for departmental goals through words and deeds. Works with a high level of enthusiasm and persistently strive to meet the highest professional standards.

(3) **MEETS EXPECTATIONS:** Generally tactful, courteous, and fair with everyone. Generally complies with departmental dress and grooming standards. Generally supports department's goals through words and deeds. Works with enthusiasm and strives to meet high professional standards.

(0) **NEEDS IMPROVEMENT:** Seldom tactful, courteous, or fair with members of the public. Seldom complies with departmental dress and grooming standards. Shows little support for department goals through words and deeds. Demonstrates a lack of enthusiasm and does not strive to meet high professional standards.

COMMENTS _____

INITIATIVE

Independently stays busy with meaningful activity. Seeks and completes additional tasks and assignments.

(5) EXCEEDS EXPECTATIONS: Actively seeks and accepts additional assignments. Consistently willing to take on extra duties to ensure the success of the work unit. Seldom requires supervision and demonstrates a remarkable ability to proceed with the assignment without the need for detailed explanations. Consistently presents well-conceived, innovative ideas to improve work unit operations. Consistently busies self with meaningful activity.

(3) MEETS EXPECTATIONS: Generally proceeds with assignments without the need for detailed explanations or close supervision. When assigned special tasks, proceeds without hesitation and generally does a good job. Presents appropriate, well-conceived ideas to improve work unit operations. Generally busies self with meaningful activity.

(0) NEEDS IMPROVEMENT: Requires close supervision to ensure tasks are completed. Requires detailed explanations for proper completion of assignments. Fails to proceed on assignments, or has to be prodded into action. Does not seek extra assignments or accepts them grudgingly. Does not present ideas to improve work unit operations. Fails to busy self with meaningful activity.

COMMENTS

SELF-INITIATED ENFORCEMENT ACTIVITY

Employee strives to effectively and fairly enforce the laws of the State of Michigan, the motor vehicle code, and our local ordinances through the issuance of traffic citations, parking violations, and the arrest of those who have violated the law or are wanted on outstanding warrants.

(5) EXCEEDS EXPECTATIONS: Works hard in self-initiated enforcement activity and consistently attains levels of performance above the average in most or all categories of this rating area.

(3) MEETS EXPECTATIONS: Employee attains an average level in all or most categories of self-initiated enforcement activity.

(0) NEEDS IMPROVEMENT: Employee does not attempt to meet the average level of performance in enforcement activity and is frequently below those levels in all or most categories.

COMMENTS _____

SELF-INITIATED SERVICE ACTIVITY

The employee strives to provide quality service to the public by actively assisting motorists in need, making public contacts with our residents and business owners/employees, issuing warnings for violations of the law, and by conducting crime prevention checks of residential homes and businesses.

(5) Works hard in self-initiated service activity and consistently attains levels of performance above the average in most or all levels of the rating area.

(3) Employee attains an average level of performance in service activity in most or all areas of this rating area.

(0) Employee does not attempt to meet the average level of performance in service activity and is frequently below those levels in all or most categories.

COMMENTS _____

SUPERVISORY CRITERIA

JUDGMENT/DECISION MAKING

Ability of supervisor to demonstrate a practical exercise of authority and responsibility. Ability to exhibit firmness and fairness in judgment affecting employees. Ability to use sound judgment, following departmental policies and procedures in making decisions. Ability to make sound decisions in a timely manner.

(5) **EXCEEDS EXPECTATIONS:** Consistently uses sound judgment and makes timely decisions following department policies and procedures. Decisions are not delayed or passed along for others to make. Decisions are consistently made with the best interest of the department and its officers in mind.

(3) **MEETS EXPECTATIONS:** Generally uses sound judgment and makes timely decisions following departmental policies and procedures. Generally, decisions are not delayed or passed along for others to make. Decisions are generally made with the best interest of the department and its officers in mind.

(0) **NEEDS IMPROVEMENT:** Decisions lack sound judgment. Decisions are not timely and/or do not follow department policies and procedures. Decisions are delayed or are passed along for others to make. Decisions are not in the best interest of the department or its officers.

COMMENTS _____

EVALUATING OFFICERS

Ability to demonstrate a good balance of constructive criticism and praise. Ability to evaluate accurately, fairly, and objectively.

(5) **EXCEEDS EXPECTATIONS:** Consistently uses all information available for an honest, fair, and objective evaluation. Consistently substantiates performance evaluation with relevant written comments. The performance evaluation review session is clear, concise, and easily understood by the officer, with excellent two way communication. The performance evaluation process is consistently a positive experience toward officer development.

(3) **MEETS EXPECTATIONS:** Generally uses all available information for an honest, fair and objective evaluation. Generally substantiates performance evaluation with relevant written comments. Two way communication is used in the performance evaluation review session. Generally makes the performance evaluation process a positive experience towards officer development.

(0) **NEEDS IMPROVEMENT:** Does not use all available information for an honest, fair, and objective evaluation. Fails to substantiate performance evaluation with relevant written comments. Does not facilitate two way communication in the performance evaluation review session. Evaluation shows more concern for being popular, or not wanting conflict, than being objective. Approach to performance evaluation process does not promote officer development and lacks a balance of constructive criticism and praise.

COMMENTS _____

LEADERSHIP

Ability to lead by example and encourage officers to work as a team. Ability to create an atmosphere in which officer attitudes are optimistic and positive. Ability to provide appropriate feedback to officers.

(5) **EXCEEDS EXPECTATIONS:** Consistently leads officers by setting an excellent example. Consistently promotes officers to do their best and work as a team. Promotes an optimistic and positive attitude in officers. Consistently provides appropriate feedback to officers.

(3) **MEETS EXPECTATIONS:** Sets a good example for officers to follow. Encourages officers to do their best and to work as a team. Encourages a positive attitude in officers. Generally provides appropriate feedback to officers.

(0) **NEEDS IMPROVEMENT:** Sets a poor example for officers. Does not encourage officers to do their best or to work as a team. Does not encourage a positive attitude. Seldom provides appropriate feedback to officers.

COMMENTS _____

ADDITIONAL COMMENTS *(reference by item #)*

CAREER GOALS/TRAINING CONSIDERATIONS

ACTION PLAN

STATE OF MICHIGAN
DEPARTMENT OF LABOR & ECONOMIC GROWTH
MICHIGAN EMPLOYMENT RELATIONS COMMISSION
ACT 312, PUBLIC ACTS OF 1969 AS AMENDED
BY ACT 116, PUBLIC ACTS OF 2011

In the Matter of:

CITY OF WYANDOTTE

-and-

MERC Case No. D12 C-0233

POLICE OFFICERS ASSOCIATION
OF MICHIGAN

PANEL'S FINDINGS, OPINION AND ORDERS

George T. Roumell, Jr., Chairman
Steven H. Schwartz, Esq., Employer (City) Delegate
John T. Barr, Union (POAM) Delegate

APPEARANCES:

FOR THE CITY OF WYANDOTTE:

Steven H. Schwartz, Attorney
Todd Drysdale, City Administrator
Dan Grant, Police Chief

FOR POLICE OFFICERS ASSOCIATION
OF MICHIGAN:

William Birdseye, Advocate
John T. Barr, Research Analyst
Gary Pusheé, Business Agent
Jerome Yoscovitz, President, WPOA
Rick Weise, Vice President, WPOA
Steve Osborne, Secretary/Treasurer, WPOA

The City of Wyandotte had a Collective Bargaining Agreement with the Police Officers Association of Michigan, Police Patrol Officers Bargaining Unit, commencing February 1, 2009 through and including January 31, 2012. Prior to the expiration of this contract, the parties commenced bargaining and reached an impasse. As a result, the Police Officers Association of Michigan on January 9, 2012, by its Business Agent Gary Pusheé, filed a Petition for an Act 312

Arbitration Panel. The Petition alleged that there were 25 employees in the bargaining unit, namely, the Patrol Unit of the Wyandotte Police Department. The Petition further stated that, from the Union's standpoint, the issues in dispute were:

1. Wages
2. Pension
3. DROP Program
4. Public Safety
5. Health Care Opt Out Incentive
6. Residency Incentive
7. Professional Development Compensation

On January 25, 2013, the City, by its Attorney Steven H. Schwartz, filed an Answer to the Act 312 Petition acknowledging the issues listed by the Union and further stating:

B. City Issues. In addition to the issues raised in the Union's Petition, the following issues are in dispute between the parties:

1. Duration (non-economic)
2. Bonus Vacation Days (economic)
3. Holiday Pay (25.1) (economic)
4. Health Insurance (28.1) (economic)
5. Pension (Final Average Compensation) (economic)

C. The City requests clarification on whether the Union accepts the prior Tentative Agreements on the following issues. If not, these items should be listed as additional issues:

1. Probationary period for new hires (Sections 14.1-14.2) (non-economic)
2. Eliminate pay advances (Section 17.2)
3. Overtime calculation (Section 19.1) (economic)
4. Longevity (Section 24.1) (economic)
5. Eliminate Prescription Reimbursement (Section 28.2) (economic)
6. Medical Insurance for Retirees (Section 28.4) (economic)
7. Employee Evaluations (Section 32.9) (non-economic)
8. Promotions (Article XV, Section 15.5) (non-economic)
9. Interrogation and Disciplinary Procedure (Article XXXIV) – reference to trial board (non-economic)
10. Interrogation and Disciplinary Procedure (Article XXXIV)– time limits for the use of prior disciplinary action (non-economic)
11. Direct deposit (non-economic)

12. Emergency manager statutorily required language (non-economic)
13. Requirement for 80%/20% contribution to health care if approved by City Council
14. Modify 13th check provisions (economic)
15. Defined benefit pensions – FAC based on best consecutive thirty-six (36) months of service (economic)
16. Sick Time (Article XXI) (economic)

As a result of further negotiations between the parties, discussions at the pre-trial meeting with the Chairman (who was appointed pursuant to the Petition) held on March 20, 2013 and subsequent discussions on the day of the hearing in this matter on May 29, 2013, the parties reached agreement on all issues except the following pension issues:

1. Pensions – Union requests to move from defined contribution to defined benefit plan for all Officers.
2. Pensions – Basis of computing final average compensation, namely, proposal for 36 consecutive months.
3. Pensions – Inclusion or exclusion of overtime in final average compensation.
4. Pensions – Question of when and under what circumstances and how much sick and vacation time accumulation should be included in final average compensation.

It is these four issues upon which the Panel is to make findings, issue an Opinion and Orders concerning same.

The Criteria

Act 312 of Public Acts of 1969, as amended, in Section 9 thereof sets forth the criteria to be followed by an arbitration panel. Section 9, as amended by Act 116 of Public Acts of 2011 provides as follows:

Sec. 9. (1) If the parties have no collective bargaining agreement or the parties have an agreement and have begun negotiations or discussions looking to a new agreement or amendment of the existing agreement and wage rates or other conditions of employment under the

proposed new or amended agreement are in dispute, the arbitration panel shall base its findings, opinions, and order upon the following factors:

(a) The financial ability of the unit of government to pay. All of the following shall apply to the arbitration panel's determination of the ability of the unit of government to pay:

(i) The financial impact on the community of any award made by the arbitration panel.

(ii) The interests and welfare of the public.

(iii) All liabilities, whether or not they appear on the balance sheet of the unit of government.

(iv) Any law of this state or any directive issued under the local government and school district fiscal accountability act, 2011 PA 4, MCL 141.1501 to 141.1531, that places limitations on a unit of government's expenditures or revenue collection.

(b) The lawful authority of the employer.

© Stipulations of the parties.

(d) Comparison of the wages, hours, and conditions of employment of the employees involved in the arbitration proceeding with the wages, hours, and conditions of employment of other employees performing similar services and with other employees generally in both of the following:

(i) Public employment in comparable communities.

(ii) Private employment in comparable communities.

(e) Comparison of the wages, hours, and conditions of employment of other employees of the unit of government outside of the bargaining unit in question.

(f) The average consumer prices for goods and services, commonly known as the cost of living.

(g) The overall compensation presently received by the employees, including direct wage compensation, vacations, holidays, and other excused time, insurance and pensions, medical and hospitalization benefits, the continuity and stability of employment, and all other benefits received.

(h) Changes in any of the foregoing circumstances while the arbitration proceedings are pending.

(i) Other factors that are normally or traditionally taken into consideration in the determination of wages, hours, and conditions of employment through voluntary collective bargaining, mediation, fact-finding, arbitration, or otherwise between the parties, in the public service, or in private employment.

(2) The arbitration panel shall give the financial ability of the unit of government to pay the most significance, if the determination is supported by competent, material, and substantial evidence.

Act 312 as amended does require the Panel to afford financial ability the “most significance”. However, the Legislature recognized that the Panel could consider other factors, including comparison with other employees of the unit of government outside of the bargaining unit in question [9(1)(e)] and public and private employment in comparable communities [9(1)(d)].

In addition, in 9(1)(h)(i), the Legislature has provided that the Panel consider other factors that are considered in “collective bargaining, mediation, fact-finding, arbitration, or otherwise between the parties”.

Fact Finders frequently consider the parties’ bargaining history, both in the past and currently, and the art of the possible. In some cases where there has been a strike in the public sector in the area, this can also serve as a guide. The bargaining history becomes important in the dispute between the parties as to pensions because this dispute is against two previous Act 312 Opinions and Orders as well as one involving the Fire Fighters.

The art of the possible refers to the proposition that in negotiations, namely, collective bargaining, in order to reach agreement or in mediation the parties do compromise, resolving their disputes by the art of the possible.

It is these criteria that will guide the Panel in making their findings, setting forth their

Opinion and issuing the appropriate Orders.

The City of Wyandotte and Its Financial Status

The City of Wyandotte geographically is approximately five square miles in what is known as the Downriver Area of Wayne County, Michigan. According to SEMCOG, about 95% of the City's land is developed. Most of the undeveloped land is held by the City's largest taxpayer, BASF, a German conglomerate chemical company, and the decision to develop that land is solely up to BASF. The record indicates that there is no known plan at this time for the company to develop this land. (Tr. 64-65).¹ In 1970, Wyandotte had a population of 41,061. By 2013, the City's population had dropped to 25,592. (Ex. 41).

The major revenue sources of the City are 43% from real property and personal taxes, 12% from State shared revenue, 7% from fines and forfeitures, 1% from investment income, 10% from reimbursement from other funds for work performed using General Fund resources, 7% from the Federal government, 20% from other sources including sales of business licenses, construction permits, birth/death certificates and other miscellaneous items. The 7% of government funds relate to the NSP2 Housing Program. In terms of expenditures, employee services and fringe benefits account for 68% of the expenditures, utilities 6%, NSP2 Program 7%, and others 19% such as supplies, contracted services, operating expenses, etc.

A number of factors have impacted the City's ability to generate revenue. The City's real and personal property tax base, because of declining value, has fallen from \$905 million in 2006 to \$544 million in 2012, which is a 40% decrease.

Its State shared revenue declined from \$4.4 million in 2000 to \$2.6 million in 2012 (Ex.

¹ "Tr" refers to the transcript of the arbitration hearing.

36, pg. 16; Ex. 30). This was due to two factors – a population drop plus changes in the statutory portion of shared revenue.

Investment earnings declined from \$800,000 in 2007 to \$100,000 in 2010. (Ex. 36, pg. 17). Building permits and licenses declined from approximately \$1 million in 2007 to approximately \$300,000 in 2010, which would be expected in a developed city as Wyandotte. (Ex. 36, pg. 17).

These factors in recent times have caused the City to take certain actions to adjust expenditures and to raise additional revenue. On the expenditure side, the City has continued to reduce its workforce from a high of 215 full-time employees in 1980 to 130 full-time employees in 2011. (Ex. 36, pg. 21). In the Police Department, full-time positions for law enforcement officers and dispatchers decreased from 60 to 44 from 1997 to 2012. (Ex. 40). The move to continue to reduce employment has continued. In the 2012-2013 fiscal year, the full-time employment went from 129 individuals to 120 full-time employees which included the elimination of a Detective Lieutenant, two Sergeants, a Patrol Officer, two Fire Fighters, three Department of Public Services Laborers, and Engineering Department employee and a Recreation Department employee. (Ex. 40; Ex. 37, pg.103).

Presently, there are 23 Patrol Officers and six Police Command. (Ex. 10).

With the 40% drop in the real and personal property tax base, representing 43% of the revenue sources, and an approximately \$2 million drop in State shared revenue representing 12% of the City's revenue, it becomes clear that the City is experiencing financial pressures.

The fiscal year of the City is October 1st to September 30th. City Manager Todd Drysdale testified: "Prior to preparing the 2012 fiscal year budget, our financial forecast indicated we were in some serious economic trouble". (Tr. 107). The result was that the City Council agreed to put

a three year millage vote to the people which passed, providing for an additional 1.75 mills to be used for operation purposes limited to three years, being effective for the 2012 fiscal year and ending the 2014 fiscal year. (Tr. 107, 108).

According to the City Manager Drysdale, for the 2013-2014 fiscal year the expenditures will exceed revenues by \$137,530, reducing the fund balance to \$3,839,900. In fiscal year 2014-2015, the expenditures are estimated to exceed revenue by \$804,556, further reducing the fund balance to \$2,858,311 or 13.9% of the budget. If the millage is not renewed, this explains the \$804,556 shortfall. By 2015-2016, the millage renewal shortfall would be \$1,066,686, reducing the fund balance to \$1,791,625 or 8.46%. As Mr. Drysdale testified, "The first with the millage were \$137,000 short which is manageable in a big picture. A million dollars short is not." (Tr. 129) (Ex. 39, pg. 12). Although the fund balance was 17.30% in fiscal 2013-2014, there is a constant drop in 2014-2015 and 2015-2016 without a renewal of the millage. Even with the millage in fiscal year 2013-2014, the City was essentially breaking even after reducing the workforce and otherwise curtailing expenses.

When discussing the fund balance, City Manager Drysdale did note that for fiscal year 2013-2014 the general fund balance "is being skewed by this large NSP grant", suggesting that part of the fund balance figure represented "housing stock held for resale". (Tr. 116).

There is other pressure on the expenses of the City. The City pays more for health and life insurance for its retirees (\$2,081,000 in 2010) than its active employees (\$1,821,000 in 2010). (Ex. 36, pg. 23). These costs for health insurance for active employees and retirees have substantially increased from 2000 to 2010. (Ex. 36, pg. 23).

Wyandotte has an unfunded OPEB liability of \$81 million in 2011. (Ex. 30, pg. 25). The annual required contribution for retiree health insurance for Police and Fire and other municipal

divisions has grown by approximately \$500,000 from 2009 to 2013. (Ex. 35). 22% of the general fund budget is now allocated to fund pensions and health insurance. (Ex. 30, pg. 40). There is little question that this unfunded liability and the obligation thereunder impacts on the City's financial ability.

It is based upon the above financial data that the City has urged the Panel to move with caution. The City's position on this point is well taken when one reviews the above financial information and notes that some of the economic factors were beyond the control of the City.

The Current Bargaining History

There were numerous issues between the parties at the time of the Petition for Act 312 Arbitration. In good faith, the parties continued to bargain and reduced the issues to the current four. By any definition, the Union recognized the economic stress of the City and reached agreements designed to assist the City. The Union's post-hearing brief summarizes succinctly the result of the agreements when at page 4 the following statement is set forth:

These settlements and concessions came with the union's recognition that the economic stress of the city has not turned the corner as of yet. The Union willingly partnered with the city to bring economic relief to its city and help stabilize the fiscal health of Wyandotte's government. The Union also agreed to some work practice changes that would allow the City to carry out the law enforcement mission in a more efficient and economical way.

Based upon the settlements, the Chairman believes that this is a correct statement. After making this statement, the Union at page 4 of its brief notes:

In spite of the spirit of cooperation offered by the union, the City still held fast to its original demands for concessions on three pension issues, and those issues were argued before the arbitrator.

In addition, the Union is pursuing a conversion of the defined contribution plan to a defined benefit plan for those employees hired after February 1, 1999. It is this bargaining

posture that characterized the situation now before the Panel.

Issue 1

Conversion from a defined contribution plan to a defined benefit plan. (Union Proposal)

Current language:

Article XXXV of the expired contract in Section 35.1(6), exclusive of the provisions defining final average compensation, provides in part:

Effective February 1, 1999:

* * *

Subject to section 2-229, police patrol members hired after 10/01/82, retroactive to date of hire, shall receive a straight life pension and shall have the right to elect a pension under an option provided in section 2-221 in lieu of a straight life pension. The straight life pension shall equal the sum of the number of years and months of credited service, or to exceed twenty-five (25) years, multiplied by 2.50%, times the final average compensation, plus the number of years and months of credited service in excess of twenty-five (25) years, if any, multiplied by 1.0%, times the final average compensation. Maximum benefit is 75% of final average compensation. Members will make pretax contributions of 5% from all income included in the final average compensation.

* * *

In addition, Section 35.1(10) provides:

All new hires hired on or after February 1, 1999, shall not be covered by the City's Defined Benefit program. These employees shall be enrolled in a Defined Contribution plan which shall be mutually selected by the City and the Union. The city shall make an annual contribution of 10% of the employee's base salary which he or she actually received in the prior calendar year. The employee shall be required to contribute five percent (5%) base salary to the plan. Vesting in the plan shall occur after five years. Disability provisions under this plan will be provided utilizing the 401-Backstopping method. This method guarantees a disability benefit equal to the provisions outlined in the current Defined Benefit Plan.

Thus, there is a two-tier pension plan for Police Officers, namely, a defined benefit plan for Officers hired prior to February 1, 1999 and a defined contribution plan for Officers hired on or after February 1, 1999.

The Union has made the following proposal effective on the date of the “award”:

All current employees in the Defined Contribution Plan and future hires will be in a Defined Benefit Plan with an eligibility of twenty-five (25) years of service at the age of fifty-five (55). The benefits of the plan will be a straight life pension equal to 2.0% of a three (3) year final average compensation (FAC) times years of service (earned on or after the effective date of the award) up to a maximum of 75% of FAC. FAC excludes unused sick-leave and vacation time. The employees will contribute 5.0% of covered compensation.

The City has proposed to maintain the *status quo*, namely, a two-tier pension plan.

There are 23 Patrol Officers. Seven, having been employed prior to February 1, 1999, are in the defined benefit plan. Sixteen having been employed after February 1, 1999 are in the defined contribution plan.

As to the comparables, the parties have agreed to 16 external comparables, including Wyandotte. The type of pension plans for the external comparables are:

Comparison of Type of Pension Plan for External Comparables

External Comparables	Type of Pension Plan
Allen Park	Defined Benefit
Brownstown Township	Defined Benefit
Flat Rock	Defined Benefit
Gibraltar	Defined Benefit
Grosse Ile	Defined Benefit
Lincoln Park	
Hired before 1-1-09	Defined Benefit
Hired after 1-1-09	Defined Contribution
Melvindale	
Hired before 1-1-05	Defined Benefit
Hired after 1-1-05	Defined Contribution
River Rouge	
Hired before 1-1-99	Defined Benefit
Hired after 1-1-99	Defined Contribution
Riverview	Defined Benefit
Rockwood	Defined Benefit
Romulus	Defined Benefit
Southgate	Defined Benefit
Taylor	Defined Benefit
Trenton	

Hired before 1-1-96	Defined Benefit
Hired after 1-01-96	DC or DB
Hired after 10/1/12	Defined Benefit
Woodhaven	Defined Benefit
Wyandotte	
Hired before 2-1-99	Defined Benefit
Hired after 2-1-99	Defined Contribution

SOURCE: Collective Bargaining Agreements

Three comparables have two-tier plans as similar to that of Wyandotte, namely, Lincoln Park, Melvindale and River Rouge, with the defined contribution plans applying to employees hired at a later time. One, Trenton, did have a defined contribution plan for some employees, but now has returned to a defined benefit plan. The rest of the comparables have defined benefit plans. Nevertheless, two-tier plans are not unknown in the Downriver area of Southeastern Michigan.

Currently, namely, within Wyandotte, the Unions have the following plans:

Comparison of Type of Pension Plan for Internal Unions

Internal Union	Type of Pension Plan
Command Officers	
Hired before 2-1-99	Defined Benefit
Hired after 2-1-99	Defined Contribution
Fire Fighters	
Hired before 10-1-00	Defined Benefit
Hired after 10-1-00	Defined Contribution
AFSCME	
Hired before 3-31-00	Defined Benefit
Hired after 3-31-00	Defined Contribution
Dispatchers	
Hired before 7-1-01	Defined Benefit
Hired after 7-1-01	Defined Contribution
Patrol Officers	
Hired before 2-1-99	Defined Benefit
Hired after 2-1-99	Defined Contribution

SOURCE: Collective Bargaining Agreements

As noted, all of the units in Wyandotte have a two-tier system based upon date of hire.

Past Bargaining History

The two-tier pension plan for Patrol Officers came about as a result of a decision and award of an Act 312 Panel chaired Barry C. Brown in *MERC Case No. D96 I-2777*, issued on December 20, 1998 between the City and the Union representing the Officers. In that opinion, a majority of the Panel adopted increased benefits in the defined benefit plan. After doing so, at page 23, Chairman Brown for a majority of the Panel wrote:

The pension improvement proposal of the Police Officers Labor Council would fairly align the Wyandotte patrol officers with similarly situated officers in comparable communities. Further, the panel has concluded that the increased costs for adopting these proposals would not present an undue burden upon the city. Adopting the city's 2% wage increase proposal in each of the three years of the labor agreement will help pay for these costs. In the long run, the adoption of the city's pension plan for new hires could also set a cap on the city's pension costs and provide a light at the end of the tunnel in this regard. (Emphasis by Chairman Roumell.)

In other words, Chairman Brown was attempting to set a cap on the City's pension costs. In discussing the specific defined contribution plan, Chairman Brown wrote at page 24:

The city's proposal would establish a two-tiered pension plan which would provide a defined contribution plan for all employees hired after January 31, 1999. The city would make an annual payment of 10% of each employee's prior year's base salary. Under this proposal, all existing members of the bargaining unit would continue under the existing pension system, and yet, the city could see a resolution for its current expensive program. This is a new approach for employee retirement programs, and only Trenton and Brownstown now use it for their police employees. While it is new, there is a trend in this direction. Further, the city plan provides a reasonable method to establish cost control in the future, while at the same time providing current employees with a retirement program in keeping with their peers in comparable communities. Further, under the city's plan, the newly hired employees need not make any pension contributions, and so they could use this 5% savings to start their own saving program. For all of these reasons, the panel adopts the city's proposal.

Chairman Brown was relying on the external comparables of Trenton and Brownstown.

According to the evidence on this record, Brownstown is now a defined benefit plan and Trenton has moved to a defined benefit plan. On the other hand, as pointed out, Lincoln Park, Melvindale and River Rouge do have two-tier plans consistent with Wyandotte.

On September 16, 2005, in *MERC Case No. D02 J-2309*, in an Act 312 proceeding between the City of Wyandotte and the Wyandotte Fire Fighters IAFF Local 366, Chairman Maurice Kelman, writing for the majority, confirmed that the two-tier pension system previously adopted by the Fire Fighters, similar to the Patrol contract, be continued based on the fact that the Patrol had a two-tier pension plan and noting at the time that the issue of a defined contribution plan was again being presented by the Patrol in a pending Act 312 proceeding.

The referenced proceeding referred to a decision issued eight years after the Brown decision by an Act 312 Panel on June 9, 2006, chaired by Arbitrator Mario Chiesa in *Case No. D04 C-0543* between the City and the Police Officers Association of Michigan representing the Patrol unit, whereby the Panel rejected a proposal to have all employees in the defined benefit plan. In doing so, Chairman Chiesa wrote at pages 14-16:

What is apparent about the Union's Last Offer of Settlement is that it lays out some general and some specific terms. No plan has been presented. Other costs, such as actuarial expenses, etc., were not explained.

It must be remembered that this panel is not writing on a clean slate. The current Defined Contribution Plan was the result of an arbitration award by a panel chaired by Arbitrator Barry Brown. The award was issued on December 10, 1998. Just as significant is the evidence establishing that following the institution of a Defined Contribution Plan for new hires in both Police, Patrol and Command Units after February 1, 1999, other units, including the Firefighters, Dispatchers and AFSCME, also agreed to a Defined Contribution Plan. Thus, it could reasonably be concluded that if this arbitration panel were to abandon the award issued by the Brown panel, other units employed by the City would attempt to secure the same benefit change.

Given the nature of this benefit and the complexity and far-reaching ramifications of pension plans, this panel is reluctant to accept the Union's Last Offer of Settlement. There are a number of reasons why the status quo should continue.

First, it is understood that the parties have negotiated over this issue for some time and couldn't resolve it. Nonetheless, the Collective Bargaining Agreement, which would be impacted by the award of this panel, has already terminated. That isn't a significant consideration except that it does present the observation that the parties should and can engage in negotiations very quickly. This type of issue under these circumstances is best dealt with in negotiations.

Second, while certainly the Union's general outline of the Defined Benefit Plan it contemplates in its Last Offer of Settlement expresses some important specifics of the proposed plan, the plan hasn't been devised and there are important considerations to be dealt with. Thus, in essence, an award adopting the Union's Last Offer of Settlement would be an award that would lead to further negotiations rather than settling the issue.

Third, the evidence doesn't convincingly establish that given the number of individuals involved that there is certainty that adoption of the Union's Last Offer of Settlement would improve an officer's retirement benefit. Certainly the evidence suggests, along with experience and common sense, that the Defined Benefit Plan proposed by the Union would enhance retirement benefits beyond that provided by the Defined Contribution Plan. However, that's not a certainty and I am not even sure it would be fair to consider it a probability. It seems it is a stepping stone to further activity.

Fourth, the problems related by the Union's evidence regarding investment and the return individual investors receive when investing pursuant to their Defined Contribution Plan can be addressed if employees seek professional assistance.

Given the totality of the record, the panel finds that the evidence supports the finding that the Employer's Last Offer of Settlement, and hence the status quo, should be continued.

There are two points made by Chairman Chiesa. First, if all Patrol Officers were put on the defined benefit plan, then the City would be faced with a similar demand from its other bargaining units. The second point made by Chairman Chiesa is that he did not believe the record supported a defined contribution for all Officers. Here, in this case there was more of a

record made than apparently before Chairman Chiesa.

But, as Chairman Chiesa pointed out, he was not writing on a clean slate and the fact that there was the Brown decision. And, now, there is the Chiesa decision. Furthermore, there was at the time of the Chiesa Panel Award the adoption of a defined contribution by Lincoln Park, Melvindale and River Rouge.

As the Chairman of this Panel sees it, he is being asked to not follow the dictates of two previous 312 Arbitration Panels involving the Patrol Unit on the issue of defined benefit pension for all Officers. In addition, as noted, Chairman Maurice Kelman in *City of Wyandotte and Wyandotte Fire Fighters IAFF Local 366, MERC Case No. D02 J-2309*, an Act 312 proceeding whereby the opinion was issued on September 16, 2005, chose to continue the two-tier pension system for Fire Fighters, noting that the Chiesa opinion was pending. Absent a compelling reason, this Chairman concludes that the *status quo* should remain based upon the bargaining history and some trend in the comparables, although somewhat inconsistent, namely, that Officers employed prior to February 1, 1999 shall remain in the defined benefit pension plan and Officers hired after February 1, 1999 shall remain in the defined contribution pension plan.

The Chairman reaches this conclusion based upon the premise that was recognized during bargaining and confirmed in the evidence set forth in this record that the City is in a serious economic situation and must proceed economically with care to remain economically viable. The continued layoffs in fiscal 2012-2013 and the need to obtain a three year millage underscores this point plus the uncertainty of the level of State shared revenue.

James Anderson is the account representative for the Wyandotte Police Pension Plans, being employed by Gabriel Roeder Smith & Company, consultants and actuaries. As such, Gabriel Roeder prepares annual actuary reports for employees still in the defined benefit pension

plan. (Tr. 18-19). Exhibit 19 is a supplemental valuation for the City of Wyandotte Employees Retirement System prepared by Gabriel Roeder regarding the cost implications of reopening the defined benefit plan for the City of Wyandotte Police and Fire members, which is dated November 30, 2012. Applying the Union's proposal that those Officers now in the defined contribution pension plan be moved to a defined benefit pension plan, based upon a 2% multiplier, Mr. Anderson as to costs testified as follows:

A Yes, page four. And the blue line represents the current plan which is the current defined benefit cost for existing members, plus 10 percent of payroll for current defined contribution members. That line is juxtaposed against the three proposals. The big difference in the two is that we would change our method and be able to amortize unfunded liabilities over a longer period of time --

Q Why?

A -- under the proposals.

Q Why?

A Because the plan is now open again to members. So we would change our cost method from aggregate to entry age normal, lump percent of pay, lump percent of pay, financing of the unfunded liability, which smooths out contributions. As you can see under the proposals, the base case decreases all -- I should say all plans decrease at the end of 20 years to the long-term expected cost of each of the plans.

So the base plan is expected to be 10 percent of pay. That's the defined contribution. Proposal one is projected to be 9 percent of pay. That's the two percent benefit multiplier and so forth with the other designs.

Q Am I to understand that at some point in time, the aggregate cost to the Employer actually will be reduced?

A The -- maybe we go to the numbers. Assuming all assumptions are met on page five, they do show that in the first year and actually through the first, oh, nine to eleven years, as we project out expected contributions, there is a reduction under the proposals relative to the base.

Q Okay. And that's found on page five, the actual enumeration?

A Yeah.

Q All right.

A Over the long run, after that savings period, the proposal would cost more in the future covering more people.

(Tr. 26-28).

Hearing this testimony, the impression would be that at least between nine to eleven years out there would be a 1% savings for the City over the current costs of the defined contribution pension plan as the City, instead of contributing 10% of pay, would be contributing 9% of pay. Of course, this depends on various assumptions.

On cross-examination Mr. Anderson explained that the cost of the current two-tier plan for a 20 year period to the City is projected to be \$44.7 million, for he testified:

Q So your best projection for the base plan over a 20, 21-year period or 20-year period would cost 44.7 million dollars, correct?

A Correct.

Q If we left everything – the current – if we left the current two-tier system as it is, you're projecting that the City would have to fund 44.7 million dollars?

A If all the assumptions are met, correct.

(Tr. 42-43).

Mr. Anderson then testified:

Q Okay. And your analysis on the same assumptions over the same time period over 21 years, if we kept the current DB members in their current plan and you moved all the current DC employees plus new hires and moved them into a defined benefit plan with a 2.0 multiplier, that would cost the City 56.3 million dollars, correct?

A With the note that we'd be changing our actual cost method as before, but we're assuming the –

Q Okay.

A – 7.5 percent interest on all the other assumptions –

Q Okay.

A – correct.

Q But – so if all your assumptions were met, the shift proposed by the Union would cost the City of Wyandotte 15.6 million dollars over a 20, 21-year period?

A I don't have my calculator. I think it's more like 11.6.

Q Eleven point six, yes.

A Yeah.

(Tr. 43).

Thus, the change proposed by the Union would mean that the City would be assuming over a 20 year period an additional \$11.6 million over current pension costs.

Mr. Anderson then testified:

Q Okay. And again, the base is the current two-tier system and proposal one would be maintaining the current DB system for pre-1999 hires and moving all the post-1999 hires into the 2.0 multiplier. so your projection is that from 2011 through 2019, each year there would be less money paid by the City, correct?

A Correct.

Q If all the assumptions are met?

A Yep.

Q And is it fair – you did this report back in November of 2012, so that would just move – we would just move this chart down a year or so based on implementation. The relative numbers would stay the same?

A They should as long as they don't have a big change in the population.

Q Okay. So in year 2020, then the City would start spending – excuse me – in year 2019, the City would start spending more money than it would if it maintained the current system,

correct?

A Correct.

Q And each year after that, the City would spend an increasing amount of money each year compared to what it would if it maintained the current system, correct?

A Correct.

Q And that continues to 2030 or through 2031, correct?

A Correct.

Q And in year 2030, the City would be spending approximately four times more than it would be if it kept the current system, 4.3 million versus 1.1 or 1.2 million, correct?

A Correct.
(Tr. 44-45).

Again, Mr. Anderson, based upon actuary assumptions, is maintaining that though there is a one percent cost reduction to the City with the adoption of a defined benefit pension plan for employees now in the defined contribution pension plan to 2019, this reduction would no longer exist beyond 2019. Beyond 2019, the City would be spending more for pensions than presently. These facts speak for themselves.

The Chairman appreciates that the Officers do not receive Social Security and understands the concern that the pension plans be solid. Nevertheless, with the existence of the liability for retiree health care insurance and the concerns over the City's financial health, when the bargaining history is considered, namely, two other Chairmen with the concurrence of a majority of their Panels plus the Kelman Order have opted for the two-tier system, there is no persuasive reason to deviate from the current two-tier system.

There was an argument from the City that, if the pension plans are converted to a defined benefit plan, this would eventually be a demand of the Fire Fighters. This could be true. The

supplemental actuary report included the cost for Fire Fighters. However, there are other units in the City, namely, Dispatchers, AFSCME employees and Police Command, who could very well request a similar pension package which could increase in the long run cost. As to the Police Command, all are in a defined benefit plan except one.

It is based upon the above analysis that the Chairman, along with the City Delegate, will vote to maintain the current two-tier system, with the Union Delegate dissenting.

Issue 2

Period Used To Calculate Final Average Compensation (Defined Benefit Pension Plan)

The expired February 1, 2009 - January 31, 2012 contract between the parties provided in Article 35, Section 6, as to the defined benefit, that “final average compensation’ means the average of the highest three out of the last ten consecutive years”. The City wishes to amend this language, whereas the Union proposes to keep the language as is. The City’s last best offer on this point reads: “Final average compensation means the average of the highest ... thirty-six (36) consecutive ... months.” Subsequent to presenting the City’s last best offer, the Chairman received an email from Counsel for the City that read in relevant part: “Contrary to the Union’s assertion, in Issue 2 which only deals whether consecutive months are to be used to calculate final average compensation ...”. This email clarified the City’s last best offer on this point. The internal comparables within the City on this point provide:

Internal Union	Final Average Compensation
Command Officers	Best 3 of last 10 years
Fire Fighters	Best 3 of last 10 years
AFSCME	Best 3 consecutive years
Dispatchers	Best 3 consecutive years
Patrol Officers	Best 3 of last 10 years

City Manager Todd Drysdale testified as to how the City has applied the various

provisions in the internal contracts on the period of calculation when he testified:

Q Are you involved in calculating – doing the workups for when an employee for the City plans on retiring?

A Yes.

Q Is there any difference in how you do the calculation based on whether it's command officer or fire fighter, AFSCME, dispatch, or patrol officer or non-Union?

A No.

Q Okay. How do – what do you do?

A We take the best 36 consecutive months within the last ten years for those who have a limit. For those who don't have a limit, we take the best 36 consecutive months of their entire employment.

Q And how long have you been using the best 36 consecutive months?

A Since 1996 for me. Obviously, the patrol, command, and fire used to have a 12 consecutive month FAC, so for them it would be after 1999 or 2000 when it was changed to three-year FAC.

(Tr. 101).

The external comparables are as follows:

External Comparables	Final Average Compensation
Allen Park	Best 3 consecutive years of last 10 years
Brownstown Township	Best 3 consecutive years
Flat Rock	Best 5 consecutive years
Gibraltar	Best 3 out of the last 4 years
Grosse Ile	Best 3 consecutive years
Lincoln Park	Last 5 years before retirement
Melvindale	Best 3 consecutive years
River Rouge	Best 3 consecutive of last 10 years
Riverview	Best 3 of last 10 years
Rockwood	Best 5 consecutive years
Romulus	Best 5 consecutive years
Southgate	Best 3 of 10 years
Taylor	Best 3 of last 10 years
Trenton	Best 3 of last 10 years
Woodhaven	Best 3 consecutive of last 5 years
Wyandotte	Best 3 of last 10 consecutive years

As the external comparables indicate, most make reference to consecutive years. Four, namely, River Rouge, Southgate, Taylor and Trenton, use the same language as the just expired Patrol contract. The practice is to use 36 consecutive months. There is no evidence on this record that there has been any challenge to the City's use of 36 consecutive months within the last 10 consecutive years. For this reason, the Chairman, joined by the City Delegate, with the Union Delegate dissenting, would adopt as part of Article 35.1.6 for Police members hired after October 1, 1982 "'final average compensation' means the average of the highest 36 consecutive months out of the last 10 consecutive years." This represents the art of the possible because it is the past practice. There is no showing why there should be a change in the past practice. It is consistent with the internal comparables. It is consistent with a vast majority of the external comparables. And it is the way that the parties have interpreted the contract language. So why not, as a practical matter, clean up the language? This is the reason the Chairman has opted to adopt the City's last best offer on this point, joined by the City Delegate with the Union Delegate dissenting.

Issue 3

Including Overtime in Final Average Compensation

The expired contract in 35.1.6 includes in final average compensation overtime subject to the limitations set forth in Article 35.1.7. The City proposes to eliminate overtime.

The Union objects to eliminating overtime. However, the Union has proposed:

... and includes all: base wages, shift differential, overtime (subject to 7 **and 12** below), annual payments for accrues compensatory time, longevity pay, holiday pay and accrued sick and vacation time paid on retirement. The accrued sick and vacation amounts shall not increase a member's FAC by more than 25%. For police patrol members active on 10/01/82, the final average compensation is unchanged.
(Emphasis in original.)

PROPOSED: (New subsection)

12. Overtime included in FAC as described in subsection 6 shall not include overtime funded through or by School Board and Church Festival Events. No employee or employer contribution will be made to the pension system for the non-credited service for the eliminated overtime events.

The Union's proposal does two things as to overtime. It has continued the Article 35.1, Section 7, cap on overtime involving certain details. In addition, the new paragraph 12 eliminates the consideration of overtime "funded through or by school board and church festival events".

The City's opposition to including overtime and the Union's proposals concerning same has several facets. The City's first concern centers on State shared revenue. The State shared revenue is based upon a combination of revenue guaranteed by the Michigan Constitution and the annual discretionary allocation by the Legislature which is referred to as statutory State shared revenue. (Ex. 39, pg. 8; Tr. 78-79). As to the statutory State shared revenue, the Legislature has replaced it with the Economic Vitality Incentive Program (EVIP) which grants the City certain statutory State shared revenue based upon meeting three elements. Included in the elements are "best practices" addressing limiting the elements of a defined benefit plan. As City Manager Drysdale testified:

- A If you look really the first row it explains – it summarizes what the law suggested local municipalities do. So there'll be certain criteria and that includes eliminating defined benefit plans, lowering or getting a limit on the factors for defined benefit plans, reducing the amount of compensation included in pension calculations and also pushing people toward sharing the cost of healthcare.
- A So this upper line, the very first line where it says employee group and read to the right, are those different EVIP categories?
- A Those were different best practices that in 2012 we were

notified that we had to achieve in order to get our money or at least have a plan to achieve those elements.
(Tr. 80-81).

City Manager Drysdale's above testimony was referring to the charts set forth in Exhibit 18.

The implication of the testimony is that the failure to curtail overtime in the calculation of the final average compensation for the defined benefit plan could affect statutory State shared revenue. The difficulty with this argument is two-fold. By virtue of this Opinion and the Awards that follow, the City has maintained for the majority of the Patrol Officers a defined contribution plan. As City Manager Drysdale testified:

What the law now says is that we have to make changes that will reduce our unfunded liability in our pension system. That's what the new law – they've been changing it continually since the beginning of 2012, so it's really a moving target.
(Tr. 82).

By virtue of maintaining a defined contribution for the majority of the Patrol Officers, plus adopting a further limitation on overtime as proposed by the Union, it would seem to the Chairman that the City is complying with best practices and that the Order adopting the Union's last best offer as to the overtime calculation and, as will be pointed out, the sick and vacation accrual provision, is consistent with the best practices under the circumstances.

On the point of the Union's proposal to eliminate school board and church festival overtime from the calculation, the City points out through the testimony of City Manager Drysdale: "Based on those two items, church festivals and school events represent less than 2 percent of all reimbursable overtime, so it's a small fraction of the overtime that should be included currently in FAC". (Tr. 98). Yet, there is a reduction in the overtime that will be included in the final average calculation that previously was included.

Of the 16 external comparables, including Wyandotte, nine include overtime in the final

average compensation. Four – Allen Park, Romulus, Southgate and Taylor – have a bifurcated system whereas employees hired before a given date have overtime included and employees hired after a given date do not. Only Lincoln Park and Woodhaven do not include overtime in final average compensation. So, the external comparables, if anything, arguably would support the Union's position. As to internal comparables, Fire Fighters do exclude overtime in final average compensation. AFSCME has a bifurcated system, namely, for the employee retired prior to June 30, 2013, the overtime is included. Retirement after June 30, 2013, the overtime is not included. The Dispatchers' contract will not expire until September 30, 2014, whereas the Command Officers' contract is in negotiations.

The Chairman appreciates that the Kelman Panel put emphasis on parity between Police and Fire. This might suggest that if the Police maintained for those in the defined benefit plan overtime in the final average compensation this would become a benefit to the Fire Fighters. The Fire Fighters will not be successful in negotiating the inclusion of overtime because the Fire fighters would not be able to present an exclusion of overtime as in the Patrol contract such as for traffic details or for church and school activities. To do so would be most difficult, the Kelmen Panel notwithstanding, for the Fire Fighters do not work as much overtime as Police and their overtime cannot be pinpointed so as to provide exceptions as in the case of the Patrol. Thus, any argument concerning parity does not have vitality in the overtime situation.

It was also pointed out that this Chairman in 2012 in a decision involving the City of Romulus and POAM, *Act 312 Case No. D10 J-1033*, ruled to eliminate overtime from pension calculations.

The problem in relying on the Chairman's previous decision in Romulus is that every community has a certain set of negotiation dynamics and economic dynamics and the criteria

must be considered as it applies to a particular community. Here, in terms of bargaining, in terms of the art of the possible and the bargaining history, the City as a result of this Act 312 proceedings is keeping a two-tier pension plan.

In bargaining there are compromises. In return for keeping the two-tier pension plan because of cost considerations, the City, absent a compelling reason to do so, particularly when the keeping of the two-tier plan and particularly the defined contribution plan for the majority of the Officers in the Patrol Division is a major accomplishment, cannot expect a “clean sweep” by eliminating some of the benefits that the City over the years has negotiated in the defined benefit plan.

When the matter is analyzed as above, this Chairman concludes, applying the history of bargaining, applying the art of the possible, there is no reason not to adopt the Union’s last best offer on the issue of including overtime in the final average compensation with the new Paragraph 12 which is a minor modification, but nevertheless a modification.

Therefore, the Chairman, joined by the Union Delegate, with the City Delegate dissenting, will opt for the Union’s last best offer as to the inclusion of overtime in the “final average compensation” for the defined benefit pension plan.

Issue 4

The 25% Vacation and Sick Leave Accrual in FAC

The expired contract in Article 35.1.6 provided that the defined benefit final average compensation would include “accrued sick and vacation time paid on retirement. The accrued sick and vacation amount shall not increase a member’s FAC by more than 25%. For Police Patrol members active on 10/01/82 the final average compensation is unchanged.”

The Union proposes the *status quo*. The City, as this Chairman has indicated, has made

an alternative proposal. The City has proposed to add:

In the event a grievance arbitrator, the Michigan Employment Relations Commission or a court issues a final decision that overtime must be included in the computation of final average compensation for service prior to the effective date of the Act 312 arbitrator's decision in MERC Case No. D12 C-0233, the employee's final average compensation shall not include more than two hundred forty (240) hours of accrued sick and vacation time paid at retirement.

The Chairman will join with the Union Delegate in adopting the Union's last best offer as to including accrued vacation and sick leave and maintain the *status quo* and reject the City's last best offer on this point, which the Chairman recognized is in the alternative. The reason is straightforward, namely, the very reasons that this Chairman set forth in adopting the Union's overtime provision on Issue 3. It is the art of the possible. The City has received a continuation of a defined contribution plan for a majority of the Officers for the reasons stated by this Chairman. The art of the possible would suggest that, if there was a right to strike, this would further suggest that there could not be a settlement without continuing some of the long-standing benefits that the defined benefit Officers have had.

In the end, as the Union has pointed out, the Union has cooperated with the City in negotiating provisions in recognition of the City's serious economic situation. But, there is a limit. There was no doubt pressure from Officers to receive a defined benefit. They have not received same as a result of this Act 312 proceeding for the reasons already stated. The City must recognize that there is a limit to its expectations and the limit has been reached as to the two proposals concerning overtime and the accrued sick and vacation time. Furthermore, if the sick and vacation time provision was modified, it could end up costing the City more money. The reason is simple. The force has been reduced to 23 Patrol Officers. If Officers decide to burn time because this benefit has been eliminated, then in order to keep Officers on the street the City

reason is simple. The force has been reduced to 23 Patrol Officers. If Officers decide to burn time because this benefit has been eliminated, then in order to keep Officers on the street the City could very well might be required to utilize overtime. But the primary reason is the art of the possible and the strike criteria.

Based upon the analysis made above both as to Issues 3 and 4, the Chairman, joined by the Union Delegate, with the City Delegate dissenting, will vote to continue the *status quo* to including accrued sick and vacation time paid on retirement in the final average compensation as set forth in the expired contract in Article 35.1.6.

ORDERS

The Order and vote of the Chairman and Delegates are set forth below. The views expressed in this Opinion are the views of the Chairman and do not necessarily represent the views of the Delegate voting with the Chairman. For convenience, these Orders have been signed by the Delegates on separate pages, but have the same effect as if signed on the same pages as the Chairman.

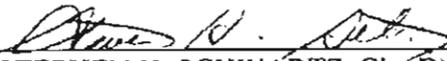
Issue 1

It is ordered that the *status quo* set forth in Article 35, Section 6, except as modified by the Orders that follow, Article 35.1(6)(7) and (10) shall continue in the contract that the parties have agreed to be the successor to the contract expiring January 31, 2012.

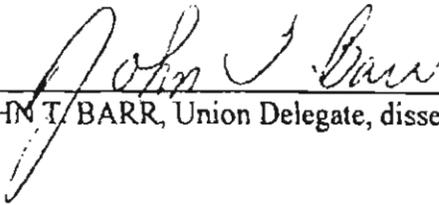
September 17, 2013


GEORGE F. ROUMELL, JR., Chairman

September 17, 2013


STEPHEN H. SCHWARTZ, City Delegate,
concurring

September 12, 2013


JOHN T. BARR, Union Delegate, dissenting

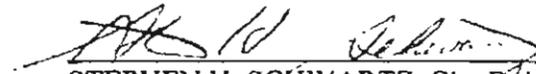
Issue 2

Effective February 1, 2013, the language of Article 35.1(6), after the statement "effective February 1, 1999", shall be amended to read: "for Police Patrol members hired after 10/01/82 final average compensation means the average of the highest thirty-six (36) consecutive months out of the last ten (10) consecutive years."

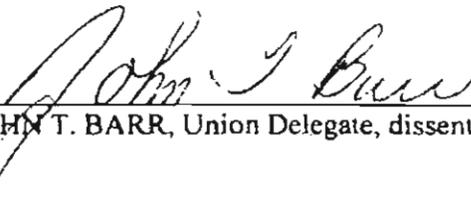
September 12, 2013


GEORGE T. ROUMELL, JR., Chairman

September 12, 2013


STEPHEN H. SCHWARTZ, City Delegate,
concurring

September 12, 2013


JOHN T. BARR, Union Delegate, dissenting

Issue 3

Article 35.1(6), the paragraph after "effective February 1, 1999", shall continue to include in final average compensation "overtime subject to 7 and 12 below". In addition, there shall be a new Paragraph 12 which shall read:

12. Overtime included in FAC as described in subsection 6 shall not include overtime funded through or by School Board and Church Festival Events. No employee or employer contribution will be made to the pension system for the non-credited service or the eliminated overtime events.

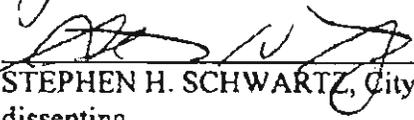
September 12, 2013


GEORGE T. ROUMELL, JR., Chairman

September 12, 2013


JOHN T. BARR, Union Delegate, concurring

September 12, 2013


STEPHEN H. SCHWARTZ, City Delegate,
dissenting

Issue 4

Article 35.1.6 shall remain unchanged and shall continue to read as to including accrued vacation and sick leave in final average compensation:

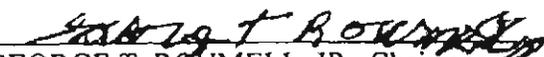
The City amends the definition of final average compensation as follows:

For Police Members "Final Average Compensation" means the best twelve (12) consecutive months of compensation, as defined by ordinance, and shall also include holiday pay for the three hundred sixty-five (365) day period preceeding the effective date of retirement effective October 5, 1981. Notwithstanding, anything herein to the contrary, effective February 1, 1990, for Police Members, final average compensation (except in the case of deferred retirement, a member's resignation or a member's discharge) shall also include a member's accrued vacation and sick leave paid on retirement, provided however, that said accrued vacation and sick leave amounts shall in no event increase member's final average compensation more than twenty-five (25) percent.

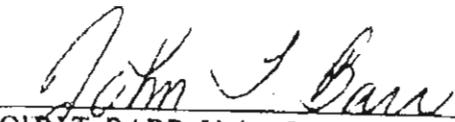
Effective February 1, 1999:

For police patrol members hired after 10/01/82, "Final Average Compensation" means the average of the highest three (3), out of the last ten (10) consecutive years, and includes all: base wages, shift differential, overtime (subject to 7 below), annual payments for accrued compensatory time, longevity pay, holiday pay and accrued sick and vacation time paid on retirement. The accrued sick and vacation amounts shall not increase a member's FAC by more than 25%. For police patrol members active on 10/01/82, the final average compensation is unchanged

September 12, 2013


GEORGE T. ROUMELL, JR., Chairman

September 12, 2013


JOHN T. BARR, Union Delegate, concurring

September 12, 2013


STEPHEN H. SCHWARTZ, City Delegate,
dissenting

The dissenting opinion of City Delegate Stephen H. Schwartz as to Issues 3 and 4 is set forth below:

Issue 3

Dissenting Opinion: The majority's opinion fails to adequately take into account how inclusion of overtime into final average compensation, plus the increase of final average compensation up to 25%, inappropriately skews the employee's pension. The undisputed record establishes that the majority of the officers retire with approximately 30% to 40% increase to their final average compensation based on these two elements. The majority's decision not to give any meaningful relief to the City is contradictory to its requirements both under the EVIP program and the Governor's best practices to address these elements of its pension plan.

Issue 4

Dissenting Opinion: The City dissents for the reasons described in its dissent in Issue 3.

September 12, 2013

