

**FREMONT CITY COUNCIL
MINUTES – REGULAR MEETING
Monday, May 17, 2010 – 7:00 PM**

Mayor James Rynberg called the regular meeting to order at 7:00 PM and Councilmember Larry Breuker gave the Invocation and led the Pledge of Allegiance to the American Flag.

Present at Roll Call: Mayor James Rynberg and Councilmember’s Dick Conley, James Breinling and Larry Breuker. Councilmember Jane Drake was absent.

Staff Present: City Manager Bryan Gruesbeck and City Clerk/Finance Director Todd Blake

Public Present: Lucas Wakefield, David Flynn, Isabell Glazer, Tara Weaver, Ashleigh Kolski, Emily Eglinton, CJ Convey, Abby Spickerman, Jason Smith, Doug Berends and Larry Mock & Cub Scout Troop #1139

Approval of Meeting Agenda

Motion by Councilmember Breinling, seconded by Councilmember Conley to approve the meeting agenda as amended; motion approved.

Consent Action Items

Motion by Councilmember Breuker, seconded by Councilmember Breinling to authorize and approve the following Consent Action Items:

- Minutes of the Regular Council Session held May 3, 2010
- Acceptance of \$69,000 FAFG Grant for use of Town & Country Path Construction Fund
- Acceptance of \$100,000 FAFG Grant for use of Fremont Capital Improvement Fund
- Mid-Year Budget Amendments for FY 09/10 as follows:

GENERAL FUND:

1. With Assessor Contract changes, salaries and professional services need to be adjusted accordingly

	101-209.000-702.000	Salaries	\$8,400
	101-209.000-801.000	Professional Services	\$8,400

2. Municipal Building Dumpster enclosures will not be constructed this year.

	101-265.000-970.000	Capital Outlay	\$5,000
	101-000.000-699.028	Transfer from Fund Balance	\$5,000

3. Due to seasonal and operational changes, salaries, equipment rental and other miscellaneous operational line items need to be adjusted for this fiscal year.

	101-276.000-702.000	Salaries	8,000
	101-276.000-940.000	Equipment Rental	5,000
	101-441.000-702.000	Salaries	12,000
	101-441.000-801.000	Professional Services	10,000
	101-441.000-920.000	Utilities	13,000
	101-441.000-940.000	Equipment Rental	10,000
	101-529.000-702.000	Salaries	3,200
	101-529.000-940.000	Equipment Rental	10,240
	101-000.000-641.000	Aviation Fuel Flowage Fee	7,000
	101-899.000-964.000	Tax Refunds & Rebates	15,000
	101-895.000-880.000	Community Promotions	11,000
	101-000.000-699.028	Transfer from Fund Balance	38,440

4. Maintenance costs of the Parks have been increasing dramatically in recent seasons, so adjustments are necessary. To offset the increased costs, staff proposes the City start a graduated discontinuance of transferring the annual \$20,000 to the Schools Community Recreation Department, which has recently undergone some major changes with the elimination of its Director position.

	101-751.000-740.000	Supplies	5,000
	101-751.000-801.000	Professional Services	4,000
	101-751.000-930.000	Repairs	2,000
	101-751.000-970.000	Capital Outlay	9,000
	101-751.000-999.000	Trans Out- FPS Community Rec	10,000

	101-000.000-699.028	Transfer from Fund Balance	10,000
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5. The City inadvertently budgeted 13 months of MERS Retirement, so the savings will help offset some of the increased costs in health care, social security taxes, and work-comp insurance.

	101-850.000-715.000	Social Security Taxes	22,000
	101-850.000-716.000	Health & Accident Insurance	12,000
	101-850.000-719.000	Workers Comp Insurance	7,000
	101-850.000-718.000	Retirement Costs	30,000
	101-000.000-699.028	Transfer from Fund Balance	11,000

CAPITAL PROJECTS FUND:

6. The Co-op Streetscape project will take place next year and some engineering costs were approved recently for the DT Parking Lot project, of which both will help offset each other plus decrease use of fund balance

	490-546.000-970.004	NE DT Block Enhancements	20,000
	490-000.000-699.028	Transfer from Fund Balance	30,000
	490-451.001-801.024	M-82 Enhancements (Coop Project)	50,000

SEWER FUND:

7. To correct a misstatement of estimated engineering costs for the fiscal year.

	590-561.000-801.000	Professional Services	85,000
	590-000.000-699.036	Transfer from Retained Earnings	85,000

WATER FUND:

8. The new watermain extension through the Middle School has not been planned by the school and supplies expenses are up under Meter Reading

	591-000.000-675.000	Contr. from Private Sources	56,000
	591-573.000-740.000	Supplies	5,000
	591-559.000-970.018	Middle School-SW Loop Connector	56,000
	591-000.000-699.028	Transfer from Retained Earnings	5,000

- Approve Amendments to the Downtown Rental Rehabilitation Application Guidelines summarized as follow:
 - Granting up to \$35,000 per new unit; it was \$25,000
 - Including the Conflict of Interest Policy
 - Updating the Program Selection Process
 - Including Asbestos Remediation Requirements
 - Updating Rehabilitation Costs Section
 - Including a Section on Fair Housing
- Chamber's request for use of Veterans Memorial Park for a Downtown Sidewalk Star Viewing Event on the Thursday evenings of June 17th & July 15th

Accounts Payable Check Register Report dated May 13, 2010 totaling \$83,551.87

Motion by Councilmember Conley, seconded by Councilmember Breinling to approve the 5/13/10 Accounts Payable Check Register Report totaling \$83,551.87; motion approved.

Accept Proposal for OPEB Employee Retiree Health Benefit Valuation Services

City Clerk Blake reported the City solicited proposals for actuarial study services to evaluate the City's post employment retirement health care costs, per requirements of GASB 43 & 45. The City currently pays 50% of the health insurance premium for a retired employee and their spouse till the age of 65.

Motion by Councilmember Breinling, seconded by Councilmember Conley to accept Watkins, Ross & Co.'s proposal of \$3,554, for OPEB Actuarial Valuation services for the City's retired employees health care benefits; motion approved.

Approve Amendments to Fremont Lake Park Manager Agreement

City Manager Gruesbeck reported the IRS issued a judgment that the contract arrangement for campground manager services was unacceptable. They declared the arrangement as an employee relationship that should not be under an independent contract. Campground Manager Grace Baker has agreed to serve as a City employee in the seasonal part-time position of

Campground Manager. The rate of pay has not been adjusted, just the employment terms with regard to employee vs. independent contractor.

Motion approved by Councilmember Conley, seconded by Councilmember Breinling to approve amendments to the Employment Agreement with Fremont Lake Park Manager Grace Baker and authorize the City Manager to execute the remaining one-year agreement; motion approved.

Renewal of City Employee Health & Dental Insurance Agreements for FY 10/11

Staff reported the City's employee health insurance rates will increase 15% at the current level of service, which currently consists of prescription co-pays of \$15/50, a \$100/200 prescription deductible, \$30 office visits and a preferred coverage level of 100% and alternate coverage level of 70/30%. Priority offered an option to add a \$250 single person and \$500 family deductible, and change the office call co-pay to \$45 for a specialist, \$60 for a med center, \$150 for an MRI or CAT scan and \$100 for ambulance service. This would lower the insurance premium increase to 8.11% for employee benefit coverage. With this increase, the City will have averaged a 6% annual increase in premiums over the last six years. For employees covered under labor agreements, the City will have to self-insure the additional deductible and co-pay cost differences over the next year or until such time it is negotiated into their contracts.

Motion approved by Councilmember Conley, seconded by Councilmember Breinling to amend the employees health insurance coverage as recommended and authorize the City Clerk to execute the renewal agreement with Priority Health Insurance; motion approved.

Reports

City Manager Gruesbeck reported staff met with school representatives regarding the current high school building's "Gateway Collaborative" for repurposing it in 2012. A feasibility study will most likely be the next step.

City Clerk Blake announced NCRESA has requested a community partnership on student art displays along the Town & Country Path. Students have developed an abstract tubular art form of a bike that is about 7' high and 8' long. There was Council consensus to allow placement of the first bike sculpture and permit further coordination for placement of additional art pieces at Town & Country Path trailheads.

The Following Communications were transmitted for Council Information:

- Staff Report: City Projects
- Finance Director's April Revenue/Expense Report for General/Water/Sewer Funds
- Finance Director Quarterly Investment Report as of April 31, 2010
- FADL Board Resolution for Exemption from Fremont DDA TIFA District Expansion
- Fremont Area Chamber of Commerce Notice of Annual Golf Outing on 6/11/10
- MI LCC 15-Day Notice of Cuatro Caminos new Class C / SDM license request
- MML's "The State of Your League" 2010 Report
- NC Clerk Notice of Veteran's Affairs Committee Appointment Opening
- City Public Notice: "Fremont Mayor & City Treasurer Receive Awards"
- Letter of Resignation from PD Officer
- Letter to State Farm Insurance for Support in Safe Community Car Seat Inspection Station & Bike Helmet Safety Programs
- Fremont Fire Department Minutes (5/10/10)
- Sherman Twp Board Meeting Minutes (5/3/10)

Adjournment

Motion by Councilmember Breinling, seconded by Councilmember Breuker to adjourn the meeting at 8:08 PM; motion approved.

James M. Rynberg, Mayor

Todd M. Blake, City Clerk