



MEMORANDUM

TO: Mayor Burch and City Council Members

FROM: Gregg Guetschow, City Manager

SUBJECT: City Manager's Report

DATE: March 6, 2015

Owens-Brockway Damages. The Claims and Accounts that you will be asked to approve during Monday's Council meeting include disbursements related to the liquidated damages received in the Owens-Brockway case. One payment is missing from these disbursements. We became aware this week that there is a dispute between the State of Michigan and Charlotte Public Schools regarding who is entitled to the portion that we have allocated to the Charlotte Public Schools. This dispute arises, I believe, from differences of opinion as to whether the damages are equivalent to taxes. Because this matter relates to a contract into which the City entered with Owens-Brockway, of which both the State and the school district are third-party beneficiaries, I was concerned about the consequences of a decision to disburse the funds to the school district. Accordingly, I directed the Finance Director not to prepare the check. I have not had an opportunity to consult with the City Attorney on this matter as he has been out of town. I did inform school Superintendent Mark Rosekrans of my action.

County Road Millage. I have nearly completed my analysis of the allocation of Eaton County road millage funds to cities and villages. You will recall that I advised you during the previous meeting that we became aware that those funds were significantly less than earlier projections. It seems clear that those allocations are consistent with state statute and that earlier projections utilized a different methodology for calculating the allocations. State statute provides an opportunity for the County Road Commission and the cities and villages to agree to an alternative distribution formula. I have discussed this possibility briefly with County Controller John Fuentes. While

I still have more work to do, my analysis so far tends to suggest that the fairest distribution formula is one that will result in an allocation somewhere between the statutory formula currently being used and the initial projections. I expect to be able to address this more completely during Monday's meeting.

Council Meeting Videos. During a recent Council meeting, the subject of making videos of Council meetings available on the Internet came up again. I asked Bryan Myrkle to experiment with putting videos onto the City's Vimeo page. The meeting was broken into three segments to facilitate uploading. No other effort was made to enhance these videos. As a consequence, there are no titles and the audio volume is below optimal levels. If we are to offer quality videos, additional processing will be necessary, something we will try with a future Council meeting to assess how much time is required. In the meantime, you can view these videos here: <https://vimeo.com/user14411274>

Union Negotiations. We have reached a tentative agreement with one of the City's bargaining units. This agreement will be presented for Council consideration following final preparation of the contract and a ratification vote by bargaining unit members. A first bargaining session was held with a second unit and a second session scheduled for April.