



# City of CHARLOTTE

## MEMORANDUM

TO: Mayor Lewis and City Council Members

FROM: Gregg Guetschow, City Manager

SUBJECT: City Manager Report

DATE: July 5, 2019

**Overpayment.** We discovered last week that we had overpaid the contractor for the State-Lincoln reconstruction project by nearly \$617,000. The first indication of the error came to light as I was analyzing cash flow in the Major Street Fund in preparation for the discussion about updating the 5-year plan. Further investigation showed that the consulting engineer for the project had submitted two progress payment authorizations with the same number with the second failing to recognize the earlier payment on the project. DPW Director Amy Gilson contacted both the contractor and the engineer as soon as we were able to ascertain the cause and extent of the overpayment and an invoice was prepared and sent to the contractor for that amount. She and I have met with representatives of both firms to discuss the issue and have a further follow-up meeting planned for Monday. The contractor has promised repayment by August 1.

**Lovett Street.** The Lovett Street reconstruction project is proceeding very well. Underground utility work is now complete, two weeks ahead of schedule. Crews have now begun placing the subbase and aggregate base. Sidewalk and curb work will follow. Ms. Gilson has indicated that the project might be largely completed by the end of the July.

**Pocket Park.** The pocket park project is well under way and is on track for completion by mid-August. Community Development Director Bryan Myrkle is working with the City Attorney to finalize an agreement for the pedestrian easement necessary to connect the park to the parking lot behind.

**Health Insurance.** As you know, we continue to explore ways to reduce our health insurance costs. I will be attending a presentation next week to learn more about the Mid-Michigan Health Insurance Consortium, a health insurance purchasing pool established by Ingham County, the City of Lansing and the Community Mental Health Authority of Clinton, Eaton and Ingham Counties.