

**MINUTES OF REGULAR SESSION
GALESBURG CITY COUNCIL
JANUARY 20, 2008; 7:00 P.M.
COUNCIL CHAMBERS,
GALESBURG CITY HALL
200 E. MICHIGAN AVE.
GALESBURG, MI**

city of
GALESBURG

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Galesburg, Michigan 49053
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The Galesburg City Council met in regular session at 7:00 P.M. in Council Chambers at 200 E. Michigan Ave., Galesburg, MI 49053.

I. CALL TO ORDER

The meeting was called to order by Mayor Allen at 7:00 P.M.

PRESENT: Councilmembers Garrett, Jackson, Kissinger, Nicolow, VanNess, Yingling, Allen

ABSENT: None

II. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mayor Allen.

Mayor Allen asked for a motion to amend the agenda by the addition of a Treasurer's Report.

Motion by Councilmember Kissinger, supported by Councilmember Nicolow, to amend the agenda through the addition of a Treasurer's Report under Reports from Officer's and Boards.

Motion carried unanimously

III. COMMUNITY COMMENT

There were no comments from the public.

IV. READING AND APPROVAL OF COUNCIL MINUTES

Motion by Councilmember Nicolow, and supported by Councilmember Kissinger to approve the minutes of January 5, 2009 as submitted.

Motion approved by the following vote:

YEAS: Councilmembers Garrett, Jackson, Kissinger, Nicolow, VanNess, Yingling, Allen.

NAYS: None

V. CORRESPONDENCE

1. Invoice from the Galesburg Charleston Joint Fire Authority for their second semi annual payment in the amount of \$28,000, due on or before 1/31/09

REFERRED TO THE JOINT FIRE AUTHORITY FOR CLARIFICATION

2. Letter from Tom Hohm, Chief Engineer for the Kalamazoo County Road Commission providing notice of a public informational meeting for the Kalamazoo River Valley Trailway construction from Sprinkle Rd. to 35th St. (north side of the Kalamazoo River) to be held on January 27, 2009.

RECEIVED AND PLACED ON FILE

3. Letter from Kalamazoo County Health & Community Services providing notice of permission given to Flagstar Bank to be on the Premises of 17 Washington in Galesburg on Monday January 29, 2009.

RECEIVED AND PLACED ON FILE

4. Letter from the Kalamazoo County Treasurer providing the 2006 Forfeiture List.

RECEIVED AND PLACED ON FILE

5. Letter from City Treasurer Weston reporting on the number of users of the Cable Access Center (143).

Motion by Councilmember Nicolow, and supported by Councilmember Kissinger to authorize payment in the amount of \$3,013.56 for participation in the program.

Motion approved by the following vote:

YEAS: Councilmembers Garrett, Jackson, Kissinger, Nicolow, VanNess, Yingling, Allen

NAYS: None

6. Letter from Kalamazoo County Parks and Expo Center providing notice of planning meetings for County Parks Projects at Prairie View County Park on January 15th, and Scotts Mill County Park on January 22nd.

RECEIVED AND PLACED ON FILE

VI. PUBLIC HEARINGS

There were no scheduled public hearings.

VII. ACTION ITEMS

- A. Resolution for Action; Authorizing a change in insurance agents

Mayor Allen stated that he spoke with Bob Weston about his representation of the City as the Insurance Agent. He stated that this resolution was brought tonight because of a stated perception of a conflict of interest by Councilmember Nicolow.

Councilmember Nicolow said that at the last meeting he made a motion that the City Clerk place a resolution on tonight's agenda for selection of a new insurance agent to act in the best interests of the City for employee health benefits. He subsequently called Mr. Weston, telling him that this resolution would be taken up at tonight's meeting, and asking Mr. Weston to be in attendance tonight, Mr. Weston refused. He (Nicolow) then asked Mr. Weston to appear in front of the personnel committee after he refused to attend the City Council Meeting, he declined that proposition as well. His concern is fiduciary responsibility of the agent. Statements have been made that one of his dependants was on the policy when they should not have been. That is what he wanted Mr. Weston to be here tonight to speak to.

Mayor Allen said that Mr. Weston was investigated by the Michigan State Police Department and the Kalamazoo County Sheriff's Department and they returned a finding of no conflict on this issue. This issue was put to bed a long time ago. Mr. Weston is trying to work on getting the City a different or better insurance policy.

Councilmember Nicolow said that he is also a licensed insurance agent by the State of Michigan. In fact, he has held licenses in several different businesses through the State of Michigan. In all of the positions a key factor is fiduciary responsibility to the client you are collecting money from. The job of the agent is to keep the best welfare of the City uppermost. Mr. Weston kept a dependant on the City's policy when he should not have.

Mayor Allen stated that he brought the matter of the ineligibility of his son to Mr. Weston's attention. When he did so Weston wrote a letter to the City and took the kid off of the policy.

Councilmember Garrett asked what steps were taken to clean this matter up when it was discovered. Was any money recovered? How long was the dependant on the policy ineligible, how much money was spent on insurance that should not have been? Was the employee disciplined?

Councilmember Yingling said that Mr. Weston should have taken his dependant off of the policy without the City having to require him to do so.

Councilmember Garrett said that when her sons turned 19 years of age she was told that they had to be taken off of her husband's insurance policy. She asked how many claims had been filed with the insurance company on this dependant who was ineligible for the City's coverage.

Mayor Allen stated that it was a short period of time. He personally told Mr. Weston that his kid had to be removed from the City's Policy and the kid was taken off.

Councilmember Yingling said it is still wrong. He should not have been on the Policy.

Mayor Allen said that Mr. Weston has had the City's insurance policy for approximately 21 years, further, he is a tax payer of the City. He does not know the insurance agents referenced in the resolution on tonight's agenda. They do not live in Galesburg or pay taxes in Galesburg. Where did they come from? We have no idea what their credentials are.

City Clerk Miner said that the agents named in the resolution were referred by Blue Cross and Blue Shield.

Councilmember Yingling asked where the insurance agents office is located. Clerk Miner said that their office, as stated in the resolution, is located in Kalamazoo. She answered questions posed by Councilmember Garrett, saying; the questions surround the dependant of an employee being eligible for coverage on the City's insurance policy. She was directed over a year ago to contact the insurance agency to determine if this employee's dependant was eligible for coverage on the City's policy. She contacted Blue Cross and Blue Shield. They informed her that a dependant child under the age of 25 who lives at home and earns less than \$11,000 per year is eligible for coverage, but when that child moves from the home, earns \$11,000 in any one year, or reaches age 25, they are no longer eligible. She cannot speak to the question as to how much has been spent on the dependant while they were ineligible, however, she can say that when she came to work for the City in September 2007 this dependant was living and working in Vermont.

**RESOLUTION #01202009-01
RESOLVED BY THE GALESBURG CITY COUNCIL**

RESOLUTION AUTHORIZING RETENTION OF INSURANCE AGENT

Whereas, the Galesburg City Council, at their regular meeting held on January 5, 2009 approved a motion to place a resolution authorizing the selection of a new Insurance Agent on the January 20, 2009 agenda; and

Whereas, the City currently provides Blue Cross/Blue Shield PPO Community Blue insurance to employees through the Small Business Administration of Michigan's Grotenhuis Insurance located at 660 Cascade West Parkway S.E. in Grand Rapids, Michigan 49546, whose current agent/representative is George R. Weston; and

Whereas, at the request of the City Council, the City Clerk has found that the City may change their insurance representative at any time, without penalty and without incurring increased cost; and

Whereas, John and Rita Light of the National City Insurance Group are available and have expressed an interest and willingness to take the City on as clients, if the City Council adopts a resolution authorizing such a move.

Now therefore be it resolved, that the Galesburg City Council hereby authorizes the City Clerk to engage John and Rita Light and the National City Insurance Group as the City's insurance agent/representative.

Motion by Councilmember Yingling, and supported by Councilmember Garrett, to place an affirmative roll call vote on the resolution.

YEAS: Councilmembers Garrett, Kissinger, Nicolow, VanNess, Yingling

NAYS: Councilmembers Allen, Jackson

ABSENT: None

VIII. REPORTS OF OFFICERS & BOARDS

a. Accounts payable

Motion by Councilmember Kissinger, and supported by Councilmember VanNess to approve the payment of bills in the amount of \$19,138.01.

Motion approved by the following vote:

YEAS: Councilmembers Garrett, Jackson, Kissinger, Nicolow, VanNess, Yingling, Allen

NAYS: None

c. Treasurer's Report

Motion by Councilmember Kissinger, and supported by Councilmember Jackson to accept the Treasurer's

Report showing a total balance in all funds of \$1,605,052.31.

Motion approved by the following vote:

YEAS: Councilmembers Garrett, Jackson, Kissinger, Nicolow, VanNess, Yingling, Allen

NAYS: None

b. Department of Public Works

DPW Supervisor, Rob Wilson said that the City does not have a written policy on mail boxes, just a standing unwritten procedure that has been in effect since he came to work with the City to the effect that; if the City hits a mail post and knocks it down we will replace it. But, if the weight of the snow takes the mail box down then we are not responsible. We have had too much snow lately and the snow banks are very deep. He has been hauling snow away every day.

Mayor Allen reported making arrangements with Sgt. Heppler to allow the City to use his old dump truck to haul the snow over to the DPW Garage to dump it. This dump truck holds a lot more snow load than the City's truck does, and they are able to get the job done more quickly and efficiently using the loaner.

Supervisor Wilson said that we are running low on salt/sand mix, and he is unable to get more through Morton. They are trying to keep up and have used a little more than half of their snow removal budget already.

Mayor Allen commended the DPW for doing a good job of keeping the streets plowed.

Councilmember Kissinger reported talking to a resident from Augusta who told him Galesburg's streets are the best maintained in the area.

Supervisor Wilson said that there is a water leak somewhere in the City. He just does not know right now where it is at. Mayor Allen assured Councilmembers that as soon as the leak surfaces they will find it. Mr. Wilson said the frost is holding it down right now, when the thaw comes it will come to the surface. The frost is down 4 feet right now. Mayor Allen asked Councilmembers to keep on the look out for it.

IX. NEW BUSINESS

There was no new business.

X. OLD BUSINESS

There was no old business.

XI. COUNCIL COMMENT

Councilmember VanNess complimented the DPW for the great job they are doing on the sidewalks downtown. DPW Supervisor Wilson attributed the downtown sidewalks to the work of Art Green, his part time assistant.

Councilmember Allen announced that tomorrow, Art Green will be cleaning the snow out from around the fire hydrants.

Councilmember Nicolow asked Mr. Wilson if they are using the brush on the sidewalks. Mr. Wilson answered no, the brush is broken, and they are using the snow blower.

Councilmember Kissinger said that he would like the Parks Board to meet the second Monday of every month and convene for their first meeting on February 9, 2009.

Motion by Councilmember Kissinger to convene the first meeting of the Parks and Recreation Board on Monday, February 9, 2009 at 7:00 P.M. and the Second Monday of every month thereafter, motion supported by Councilmember Nicolow.

Motion approved unanimously.

Councilmember Nicolow announced that Councilmember Garrett will stand in for him at the Library Board Meeting this month. He will be out of town and is unable to attend. Sheila has kindly offered to take his place for this one meeting.

Councilmember Garrett asked if we have a Vice Mayor. Mayor Allen answered, no, we have a Deputy Mayor, Councilmember Jackson. Councilmember Garrett said that she needs information about how to take up a matter that she feels needs to be addressed by the Council, with one of her colleagues. She asked City Clerk Miner what the appropriate steps are for her to take.

City Clerk Miner asked Councilmember Garrett if it was a matter that she did not feel she could address with the other Councilmember personally. Councilmember Garrett responded that this person is spreading untruths around about all Councilmembers.

Mayor Allen suggested that Councilmember Garrett speak personally with the Councilmember in question, not bring it to a public meeting. It would be better to deal with it personally one to one.

Councilmember Garrett said it is an issue that needs to have a stop put to it immediately, it involves the whole council and what this person is saying about them.

City Clerk Miner agreed to check with the City Attorney to if there is a formal course of action that may be used to deal with such a situation.

XII. ADJOURNMENT

Motion by Councilmember Kissinger, and supported by Councilmember Jackson to adjourn.

Motion approved unanimously.

Meeting adjourned at 7:48 P.M.

Respectfully submitted,

Debbie Miner, CMC
City Clerk, CFO