



## AGENDA

### REGULAR MEETING OF THE PARCHMENT CITY COMMISSION

MONDAY NOVEMBER 16, 2015

7 P.M.

#### PARCHMENT CITY COMMISSION

MAYOR ROBERT B. HEASLEY

VICE MAYOR ROBERT D. BRITIGAN III

COMMISSIONER THOMAS BALMER

COMMISSIONER TERRY HAGEMAN

COMMISSIONER JON HEASLEY

COMMISSIONER BRIAN SELL

COMMISSIONER DAVID KINSEY

#### OFFICERS

CITY MANAGER DENNIS DURHAM

CITY ATTORNEY ROBERT SOLTIS

CITY TREASURER/CLERK SHANNON STUTZ

1. CALL TO ORDER

2. ROLL CALL

3. APPROVAL OF MINUTES

A. City Commission Regular Meeting Minutes of November 2, 2015 - *Accept*

4. ADDITIONS OR CHANGES TO THE AGENDA

5. CITIZEN COMMENTS

*Persons wishing to address the City Commission on items not already an agenda item, will be allowed five minutes. Please state your name and address for the record. If you require special accommodation, please notify the Clerk.*

6. CONSENT AGENDA

*Items included on the consent agenda will be dealt with upon one vote by the City Commissioner unless a Commissioner requests an item be dealt with individually.*

A. Motion to APPROVE as indicated:

i. Warrant No. 1296 – *Information Only*

7. UNFINISHED BUSINESS

8. NEW BUSINESS

A. Purchase of new 2016 F-250 Truck – *Approve*

B. Local Preference Policy Discussion – *No Action*

9. BOARD AND COMMISSION REPORTS/MINUTES

10. MAYOR AND COMMISSIONER COMMENTS

11. CITY MANAGER COMMENTS/REPORTS

A. City Manager's Report - *Receive*

12. ADJOURNMENT

**MINUTES OF THE REGULAR MEETING OF THE PARCHMENT CITY  
COMMISSION HELD ON MONDAY NOVEMBER 2, 2015.**

**1. Call to order**

Mayor Heasley called the meeting to order at 7:00 p.m. He led those present in the "Pledge of Allegiance".

**2. Roll Call**

Present: Mayor Heasley, Vice Mayor Britigan, Commissioners Balmer, Heasley, and Kinsey,  
Treasurer/Clerk Stutz, City Manager Durham and City Attorney Soltis.

Absent Commissioners Hageman and Sell.

Moved by Commissioner Balmer, supported by Commissioner Heasley to excuse the absent commissioners. **Motion Carried.**

**3. Minutes**

Moved by Commissioner Heasley, supported by Commissioner Kinsey to approve the Minutes of the October 19, 2015 regular meeting.

**Motion Carried.**

**4. Additions or Changes to the Agenda**

Add Resolution of Appreciation for Brian Sell to item 8 C.

**5. Citizen Comments**

Karen Conner-Beck updated the commission on the dog/owner situation on Glenguile; owner was sentenced to type of probation whereby any trouble until June will result in possible jail time. Ms. Conner-Beck also mentioned other instances of loose dogs in Parchment, as well as cars speeding on Parchmount especially on the section between Clarnin and Orient.

**6. Consent Agenda**

Moved by Vice-Mayor Britigan, supported by Commissioner Balmer to receive the consent agenda items.

**Motion Carried.**

**7. Unfinished Business**

None.

**8. New Business**

A. Purchase of turn-out gear from Front Line Services. Moved by Commissioner Balmer, supported by Commissioner Heasley, that the City Commission authorize the expenditure of \$3852.95 for the purchase of two sets of fire turnout gear from Front Line Services Inc. and authorize the City Manager to execute all documents related to this action.  
**Motion Carried.**

B. Increase contract amount for Household Hazardous Waste Collection Services. Moved by Commissioner Kinsey, supported by Commissioner Balmer to increase the contract amount for

Household Hazardous Waste Disposal fees paid to Kalamazoo County from \$1500.00 to \$1600.00 for the calendar year 2015 and authorize the City Manager to execute all documents related to this action.  
**Motion Carried.**

- C. Resolution of Appreciation for Brian Sell. Moved by Commissioner Vice-Mayor Britigan, supported by Commissioner Balmer, to approve the resolution of Appreciation for Commissioner Sell, for his service to the citizens of Parchment. Roll call vote was as follows:  
Ayes: Balmer, Britigan, J Heasley, R Heasley, Kinsey.  
Nays: None.  
Absent: Hageman, Sell.  
Abstain: None.  
**Motion Carried 5-0.**

**9. Standing Board and Committee Reports**

None.

**10. Mayor and Commissioner Comments**

Commissioner Heasley asked for follow up regarding the trash bins at the apartment complex near the Fountains. City Manager Durham noted it is an owner issue and AGS is involved.

Commissioner Kinsey encouraged everyone to vote tomorrow.

Commissioner Balmer mentioned driving down Parchmont on Halloween night and suggested we consider shutting down the street to traffic for a period of time for safety's sake.

Vice-Mayor Britigan also reminded everyone to vote and that a millage for the homeless is on the ballot.

Mayor Heasley agreed and asked all to vote.

**11. City Manager Comments/Reports**

City Manager Durham mentioned the Hazardous Waste report in the Commissioner packet is for informational purposes.

**12. Adjournment**

There being no further business to come before the Commission, it was moved by Commissioner Kinsey and supported by all to adjourn the meeting at 7:23 p.m.

Shannon S. Stutz  
City Clerk

# Check Register Report

City of Parchment

Warrant 1296

Check Number	Vendor Name	Check Description	Amount
<b>MERCANTILE Checks</b>			
32698	B & W CHARTERS, INC.	2-24 Passenger Trolleys-Wassailing '15	700.00
32699	THE CANOPEUM, INC	Sound Booth for Plays	79.20
32700	CINTAS CORPORATION LOC. 725	Uniform Rental & Towels	280.26
32701	CLARK TECHNICAL SERVICES	Software & License-Reimb. Expe	958.00
32702	COMPANION LIFE	Life & AD&D Ins - November	57.00
32704	CONSUMERS ENERGY	Lights -streets, traffic, city, park	7,072.98
32705	DEYOUNG LANDSCAPE SERVICE	Treatment #6 - Garden	165.00
32706	ETNA SUPPLY	Water meters	2,830.00
32707	GRAPHIC CONTROLS LLC	Graph Paper of Water Controls	495.27
32708	KALAMAZOO OIL CO.	Fuel Charges 10/16 to 10/31/15	248.65
32709	TREASURER CITY OF KALAMAZOO	Municipal Sewer-September	7,102.97
32710	KELLY WHITE DESIGN, INC.	Updates & Maint - October	75.00
32711	MICHIGAN FESTIVALS & EVENTS	Dues to 09/27/16	160.00
32712	MOSES FIRE EQUIPMENT	Annual Pump Test-711 & 721	730.00
32713	NIEBOER HEATING & COOLING, INC	Service Call-PW Furnace	99.95
32714	REPUBLIC SERVICES #249	Public Works - November	230.84
32715	SEVERANCE ELECTRIC CO INC	Traffic Signal Maint - October	120.00
32716	VERDIN COMPANY THE	Labor for Bellisle Clock	3,945.00

**Grand Total (excluding void checks):** 25,350.12

# MEMORANDUM

**To:** Mayor Heasley, Vice-Mayor Britigan and City Commissioners  
**From:** Dennis Durham, City Manager  
**Date:** November 13, 2015  
**Subject:** F-250 Truck Purchase

## RECOMMENDED MOTION

It is MOVED that the City Commission approve the purchase of a 2016 F-250 Truck at a cost of \$28,718.00 from Seelye Ford and authorize the City Manager to execute all documents related to this action.

## BACKGROUND

The City of Parchment currently replaces city pickup trucks every two years. In FY2015/16, the Superintendent truck is scheduled for replacement. The replacement schedule is designed to provide for the replacement of these vehicles at no cost to the City (sale of old truck = cost of new truck).

Revenue from sale of truck = \$29,500.

The City solicited price quotations for three different truck makes (Dodge, Chevrolet and Ford), with the Ford being the lowest at \$28,718.

SEELYE AUTOMOTIVE GROUP  
**SEELYE FORD**  
COMPLEET NETWORK

---

---

FACSIMILE TRANSMITTAL SHEET

---

TO:	Steve	FROM:	Jared Garrison		
COMPANY:	City of Parchment	PHONE NUMBER:	(269) 488-0633	MOBILE:	(269) 547-8148
FAX NUMBER:	269-345-5441	FAX NUMBER:	(269) 488-0894		
DATE:	8-13-15	EMAIL:	jgarrison@swautonet.com		
RE:	2016 F-250	TOTAL NO. OF PAGES INCLUDING COVER:	3		

---

URGENT     FOR REVIEW     PLEASE COMMENT     PLEASE REPLY     PLEASE RECYCLE

NOTES/COMMENTS:

CNGP530

VEHICLE ORDER CONFIRMATION

08/12/15 14:59:59

==>

Dealer: F48576

2016 F-SERIES SD

Page: 1 of 2

Order No: J100 Priority: K1 Ord FIN: QG742 Order Type: 5B Price Level: 615

Ord PEP: 600A Cust/Flt Name: PARCHMENT PO Number:

	RETAIL		RETAIL
X2B F250 4X4 S/C	\$37380	17F XL DECOR PKG	NC
142" WHEELBASE		18B MOLDED BLK STEP	370
Z1 OXFORD WHITE		10000# GVWR PKG	
A VNYL 40/20/40		213 ELECTRONIC SOF	185
S STEEL		41H ENG BLK HEATER	NC
600A PREF EQUIP PKG		41P SKID PLATES	100
.XL TRIM		473 SNOW PLOW PKG	85
.TRAILER TOW PKG		512 SPARE TIRE/WHL2	NC
572 .AIR CONDITIONER	NC		
996 .6.2L EFI V8 ENG	NC	TOTAL BASE AND OPTIONS	41755
44P 6-SPD AUTOMATIC	NC	TOTAL	41755
TBM LT245 BSW AT 17	165	*THIS IS NOT AN INVOICE*	
X3E 3.73 ELOCKING	390		
90L PWR EQUIP GROUP	895	* MORE ORDER INFO NEXT PAGE *	
JOB #1 BUILD		F8=Next	

F1=Help

F2=Return to Order

F3/F12=Veh Ord Menu

F4=Submit

F5=Add to Library

S006 - MORE DATA IS AVAILABLE.

QC09708

fmcdealr@DSF-KZ-232

Aug 12, 2015 2:58:53 PM

\$ 28,718 Truck

CNGP530

VEHICLE ORDER CONFIRMATION

08/12/15 15:00:13

→

Dealer: F48576

2016 F-SERIES SD

Page: 2 of 2

Order No: J100 Priority: K1 Ord FIN: QG742 Order Type: 5B Price Level: 615

Ord PEP: 600A Cust/Flt Name: PARCHMENT PO Number:

RETAIL

RETAIL

52B BRAKE CONTROLLER \$270

TELE TT MIR-PWR

JACK

66S UPFILTER SWITCH 125

AUX AUDIO INPUT

96V XL VALUE PKG 595

.CRUISE CONTROL

.AMFM/CD/CLK

SP FLT ACCT CR

FUEL CHARGE

DEST AND DELIV 1195

TOTAL BASE AND OPTIONS 41755

TOTAL 41755

\*THIS IS NOT AN INVOICE\*

F1=Help

F2=Return to Order

F7=Prev

F3/F12=Veh Ord Menu

F4=Submit

F5=Add to Library

S099 - PRESS F4 TO SUBMIT

QC09708

fmdealr@DSF-KZ-232

Aug 12, 2015 2:59:04 PM

# Local Preference Policy Discussion

---

## **Advantages to having a Local Preference Policy:**

- The city may save money if local bidders were only granted the bid if they agreed to match the low bid price.
- Help keep dollars circulating within our community. One way to keep money from leaving the City is to support local businesses that distribute their profits back into people and businesses that are within our community. Local businesses employ local workers, providing a general economic boost to the community.
- There is potential to drive prices down because out-of-town bidders would know local bidders would be getting the preference.
- It may encourage business owners to bid aggressively, thereby lowering overall project/purchase costs.
- There may be a savings on future repair costs because vendors are local. There would be a reduction of money spent on shipping costs or travel time.

## **Disadvantages to having a Local Preference Policy:**

- Giving a local preference may discourage competition and reduce the pool of competitors if bidders that do not qualify for the local preference do not bid because of the preference given to local bidders.
- It is difficult to fairly define local (city, county, 4 surrounding townships, state).
- Too much complexity or too many tiers could cause confusion to bidders and increase the possibility of lawsuits because the policy has more grey areas.
- Could increase cost of local projects/purchases if preference is given to local bidders rather than low bidders without requiring local vender to match the low bid.

# Local Preference Policy Concepts

---

*(In no particular order)*

## **❖ Concept 1:**

Leave current policy as-is, continuing to provide a 2% local preferences to businesses that are located within the City.

❖ **Concept 2:**

Raise the current local preference from 2% to 5% for businesses within the City.

❖ **Concept 3:**

Raise the current local preference from 2% to 5% for businesses within the City up to a maximum dollar amount.

Examples would be that the local preference can be 5% up to a maximum of \$5,000. Another option would be to install a hard cap on total project costs that are eligible for the local preference, i.e. local preference is 5% for projects under \$150,000. Projects in excess of the threshold would be ineligible for local preference.

❖ **Concept 4:**

Expand definition of "local" to include more area, like adding the four surrounding townships (Clam Lake, Cherry Grove, Selma and Haring) to the definition. Include several tiers for project sizes.

Example:

Total Project Costs	Local Preference (City + Townships)
Up to \$100,000	5%
\$100,001 to \$250,000	2%
Over \$250,000	No local preference

❖ **Concept 5:**

Expand definition of "local" to include four surrounding townships (Clam Lake, Cherry Grove, Selma and Haring) and the State of Michigan to the definition. Include several tiers for project sizes.

Example:

Total Project Costs	Local Preference - City + Townships	Local Preference - State of Michigan
Up to \$100,000	5%	2%
\$100,001 to \$250,000	2%	1%
Over \$250,000	No local preference	No local preference

❖ **Concept 6:**

Establish local preference tier and require local vendor to "match" the lowest non-local bid if they are within the required thresholds.

For example, if the low bidder is not a local bidder and bids \$100,000 on a project, and the City's local preference policy allows a 5% preference, the local vendor with the lowest bid under \$105,000 would be given the opportunity to lower their bid to \$100,000 and would be awarded the project. This prevents the local preference policy from increasing the costs of projects/purchases.

## **Issues:**

Policy must be very explicit on the definition of "local" **and** the requirements for meeting the definition. The policy examples from other Michigan cities that are included with this communication include several options for qualifying as local. Some have time requirements (i.e. must have had a verifiable business address within the defined area for at least the prior 6 months/1 year, etc.), others require the payment of local taxes as a requirement for qualifying for the local preference.

## **Other City Policies**

---

### **City of Kalamazoo**

- The lowest responsive Kalamazoo County bidder whose bid is not low but falls within 2% of the lowest responsive bid is afforded the opportunity to become the successful bidder if it agrees to reduce its bid to match the lowest responsive bid.
- If the lowest Kalamazoo County bidder chooses not to match the lowest bid, the next lowest responsive Kalamazoo County bidder whose bid falls within 2% of the lowest bid, is given the opportunity to match the lowest responsive bid.
- To qualify as a Kalamazoo County bidder, the bidder must meet both the following criteria:
  1. Have a physical presence in Kalamazoo County by maintaining a permanent office, factory or other facility in Kalamazoo County with employees working in Kalamazoo County.
  2. Have paid real or personal property taxes related to said business to the City of Kalamazoo, County of Kalamazoo or other municipal corporation within Kalamazoo County in the previous tax year, except that a nonprofit entity need not meet this requirement.
- This local preference policy applies only to purchases for materials, supplies, capital outlay, and services for maintenance, repair or operation of City facilities that are over \$25,000.
- If more than 50% of the contract is subcontracted to firms located outside of Kalamazoo County that bid does not qualify for the local preference policy outlined.

### **City of Traverse City**

- It is the policy to purchase from and contract with responsible Traverse City vendors whenever feasible. To insure local bidding, responsible Traverse City vendors shall be notified of opportunities to bid supply goods or services.
- Bidder understands that the City reserves the right to accept any or all bids in whole or part and to waive irregularities in any bid in the best interest of the City. The bid will be evaluated and awarded on the basis of the best value to the City. The criteria used by the City may include, but will not be limited to: ability, qualifications, timeframe, experience, price, type and amount of equipment,

accessories, options, insurance, permits, licenses, other pertinent factors and overall capability to meet the needs of the City. The City is sales tax exempt – Government.

### **City of Sterling Heights**

- Bidding process through MITN website.
- Local Preference is only given when there is an exact tie between vendors.

### **City of Mt. Pleasant**

- Sealed bids are required for purchases in excess of \$15,000.
- Local preference policy for businesses located within the City limits.
- The scale (differential preference) is as follows:

\$5,000-\$9,999	3%
>\$10,000	2%
- Not to exceed \$1,500.

### **City of Alma**

- Preference to businesses located in Gratiot County.
- Preference given is on a sliding scale and is a differential over the low bid (if the low bid is not from Gratiot County).
- The scale (differential preference) is as follows:

<b>Amount of Low Bid</b>	<b>% of Differential to be applied</b>
\$0 - \$3,500	6.0%
\$3,501 - \$7,000	4.0%
\$7,001 - and up	2.0%
- In no instance shall the differential amount to be applied exceed \$1,500.
- Using the State of Michigan purchasing contracts is permitted. The State contracts have already been competitively bid and can be used without additional bidding.

### **City of Lansing**

- Purchases greater than \$1,000 must have one Lansing-based business quote whenever available.
- Purchases greater than \$15,000 will allow the Lansing-based business within 5% of the low bid, all other things equal, a chance to match the low bid and receive the contract.
- Construction contracts greater than \$500,000 are exempt from the Local Preference Ordinance.

## **City of Bay City**

- When sealed bids are received for purchases in the amount of \$15,000 or higher, the following policies shall also be considered in the awarding of the contract:
  - The person or business submitting the lowest responsive, responsible bid, according to the requirements of the Bidding Documents, shall be deemed the lowest bidder.
  - If the lowest bidder is not a Bay City-based business, any Bay City-based business with a bid within 5% but not more than \$5,000 of the lowest bid shall be deemed the lowest bidder if it agrees to reduce its bid to match the bid of the lowest bidder.
  - A lowered bid by a Bay City-based business which is premised upon, in whole or in part, changes to or variances to the bid specifications, contract requirements, or scope of work, shall be considered non-responsive and will not be considered.
  - If such a Bay City-based business refuses to reduce its bid to match the lowest bid, then the next lowest responsive and responsible Bay City-based business with a bid within 5% but not more than \$5,000 of the lowest bid shall be deemed the lowest bidder, if it agrees to reduce its bid to match the bid of the lowest bidder.
  - If no responsive and responsible Bay City-based businesses within 5% but not more than \$5,000 of the lowest bid agree to reduce their bids, then the contract shall be awarded to the person or business with the lowest, most responsive and responsible bid.
  - In the event of a tie between two (2) or more Bay City-based businesses, where all other factors are equal, the award of bid shall be by coin toss conducted by the Purchasing Manager or his/her designee.
  - No contract awarded pursuant to this Policy shall be sublet in any manner that permits 50% or more of the dollar value of the contract to be performed by a subcontractor or subcontractors who do not meet the definition of "Bay City-based."

## **City of Sault Ste. Marie**

- A local bidder is defined as a bidder who is current on all personal property taxes owed to the city and has paid in full its personal property taxes to the city in the tax year prior to making the bid to the city under this Code section.
- If no personal property taxes have been paid to the city in the tax year prior to making the bid then the bidder is not a local bidder as defined and this section shall not apply.
- Any bid made by a local bidder as defined above shall be provided a competitive adjustment to their bid at the time of tabulation equal to five (5) percent of the low bid amount not to exceed the amount of the local bidder's personal property taxable value for personal property taxes actually paid to the city in the tax year prior to the year the bid is submitted.

- The competitive adjustment for purposes of determining the award of the bid shall reduce the local bidder's bid artificially as means of determining if the award to the local bidder is in the best interest of the city.
- Lowest responsible bidder defined under subsection 2-177(g), and award to other than low bidder under subsection 2-177(h) shall include the competitive adjustment of this section in their application to the bid award decision.
- To receive the benefit of this section the local bidder shall agree to lower its bid at the time of bid award to match the actual bid submitted by the nonlocal bidder.

### **City of Petoskey**

- Purchases over \$20,000 must be bid out
- Does not have a local purchase preference because it is difficult to define "local"  
What is considered local? City limits? County? Surrounding areas? State?

### **City of Novi**

- The City of Novi uses the MITN website to register bidders
- Will give added consideration to Michigan companies

### **City of Alpena**

- The City may grant an award to a qualified local bidder/vendor as defined below for an amount equal to the lowest bid submitted meeting specifications. The following businesses shall be given the opportunity to lower their overall bid amount on any transaction if they are within the following percentages:
  - a) Alpena City businesses – within 7% for projects up to \$100,000 and 5% for projects at or over \$100,000;
  - b) Alpena County businesses – within 5% for projects up to \$100,000 and 3% for projects at or over \$100,000.
- City of Alpena businesses shall have priority over Alpena County businesses.
- To be considered for local bidder preference, a local bidder/vendor shall have met the following qualifications for at least one year prior to the date bids are due:
  - Shall have a legal and permanent business address within Alpena County.
  - Shall be a personal property and real property taxpayer in Alpena County.
  - Shall be in compliance with all City Codes and Ordinances.
  - Shall not be indebted or in default to the City.

# MEMORANDUM

**To:** Mayor Heasley, Vice-Mayor Britigan and City Commissioners  
**From:** Dennis Durham, City Manager  
**Date:** November 13, 2015  
**Subject:** City Manager's Report

## Economic Development

*Drug & Lab* – Work continues on site renovation. Most recently, fiber optic infrastructure for high-speed data has been extended to the property.

## YourGov Rollout

The YourGov system was launched on October 22 and now in use by staff.

## Parchmount Traffic Enforcement

Kalamazoo Township Police have conducted targeted speed enforcement on Parchmount during morning and evening "rush" hours. More enforcement is scheduled in the coming days.

## Leaf Pickup

The second leaf pickup was completed today. A final pickup is scheduled for the week of November 23.

## Kindleberger Arts Commission

The Arts Commission will begin meeting in November to plan for 2016.