

**Town Board Meeting
September 20, 2017, 8:00 am
Conference Room
Special Meeting Minutes**

1. Call to Order by Manigold at 8:15am

2. Pledge

3. Roll Call Present: Manigold, Wahl, Bickle, Achorn, Wunsch, Sanders. Absent: Westphal (excused). Also, present: Ruth Dudley, Recording Secretary

4. Brief Citizen Comments-for items not on the agenda **Manigold** stated that the meeting started fifteen minutes late, and that they have been advised by their legal counsel Schwartz that this draft is being discussed per the Open Meetings Act and they cannot go into closed session. This is the first draft from legal counsel, it came through the Personnel Committee, and other things have been proposed. It stays within the parameters that was advertised. **Bickle** stated that it was drafted by their labor attorney Steven Schwartz who is also their union negotiator – the contents line up with the job description. The draft provided at the meeting has corrections and modifications regarding grammar and things of that nature.

Mary Swift, 13956 Peninsula Drive, commends the Board for complying with the Open Meetings Act, but at 8:00am in the middle of the week for an issue that is extremely important to the community, this is not a convenient time to get enough public comment on what the Board is discussing. It's been rushed, all of the Board should be here, including the Clerk, to have this discussion, and more opportunity for public participation should have been given. Reminds the Board of what they signed up for when running for office, that they will eliminate the Fire Board and will work with Fire Department and residents to achieve an immediate fix to cure the problem and develop a 5-, 10-, and 20-year plan for emergency services. In the Board members' individual campaigns, they were promised ALS, equipment and look at the buildings, without a Fire Board. The offer that is in this contract draft is a low-ball offer even if that is what was advertised for. Candidate is way over qualified for what this contract offers. She checked online what the city fire department who is also union is paying someone of his qualifications – compared with the city contract at 2,912 hours per year and add his qualifications and if you do the math it comes to about \$87,360 base pay before fringe and they're low balling this guy at \$61,000. Understands this is a first draft of the contract, but he's coming from a major metropolitan area, is an Assistant Fire Chief, and need to figure out what it costs to move up here. Wants him to afford to live in this community, not 20 miles south of here. The Board's sacred duty is the health, safety and welfare of this community and there's no single person in this community that has it more on their shoulders than a fire chief, and the salary should reflect that. Someone with his qualifications deserves better from us, and we want him to live in this community. Would like the Board to postpone this discussion for a public hearing at a time when more of the community can weigh in.

Manigold stated we've been talking as a Personnel Committee to Fred and a lot of the stuff is what he is proposing. He is waiting for a decision and that is why they are having this initial meeting, so he can start and respond; everything will be in the public process. The issue also is he is buying out his union contract. Union check 75% of that salary into this one. The agreement must parallel what they advertised across the country for. If can get an agreement with him today then this is a base and then start the dialogue. He has talked to us about vacation days and

believes this is what he currently gets in Wayne County, the salary has been talked about with incentives built in including up to \$10,000 with ALS; he's got to come back to the Board and he's getting a vehicle. Talked with him a half hour on Saturday, and apologized it took so long. **Bickle** stated the Board had already unanimously voted for him. **Swift** said she did not know that all the Board voted for him and apologized. **Manigold** stated that at the end all the Board voted for Fred. **Swift** has congratulated Jo on outstanding minutes.

Nancy Heller, 3091 Blue Water Road, Old Mission, stated that they had an applicant that has read the RFP/job description and is fully aware of what this township is offering. It's a draft and you are up front, but concerned about the public misinterpreting the intention of the draft but it is still in negotiation; the salary was right up front. **Bickle** stated that the minutes reflect what was discussed with each of the candidates and trust that the residents will have confidence in the Board, this is the start of the process, and felt this candidate can deliver and we will do what's right. **Heller** stated the previous one started out at a tremendously high salary and that wasn't a good move either. **Wahl** stated they had brought up the salary numerous times; he's over qualified but also have a fiscal responsibility and on numerous times he had no hesitation. **Brett Strom**, Garfield Township, Peninsula Firefighter, stated they are paying their chiefs accordingly; he's a superior candidate.

5. Approve Agenda

Motion to approve the agenda as presented by **Sanders**, with a second by **Bickle**. **Passed Unam**

6. Conflict of Interest None

7. Business

a. Fire Chief Contract discussion. **Wahl** stated that incentive-based salary improvement is the way to do this – start with a base salary but incentivize and get the fire station functional and improve the building where firemen can lodge at both sides. Need a page number on page number one and prefer use of “page __ of __” format.

Manigold stated that first page okay. Second page; we did Monday through Friday. Wunsch – with regard to Monday through Friday schedule, did we look at the data. **Manigold** stated that he did ask to do four 10s while he's moving back and forth. **Bickle** stated that the hours came directly from the current published 2013 personnel policy .902 and Schwartz confirmed that and with any personnel policy is subject to change or modification as the situation is determined. We stuck with the basics of what we have on record, on file, and in conjunction with the union contract. **Manigold** stated that we would work with him as he moved up because it was hard for him to go down on a Saturday and come back on a Sunday while he's trying to close out his house and move, subject to our approval. When he goes on call and if he responds other than those hours then he would get the same as anyone else currently going. **Sanders** stated that if there is any type of change that it would be in writing and signed by both parties, even the four 10s, to have that in writing. **Achorn** questioned whether that be in the first draft about the four 10s while he's in transition. **Manigold** replied unless changed by mutual agreement in the contract and that's why it's in there. **Bickle** said the general definition of mutual agreement realizing he'll have transition.

Manigold said the start amount is low. **Wunsch** stated we have a candidate at a base offered salary and if it's too low then we need to look at other candidates who would come in at an \$85K

range. **Manigold** said it would be a whole new group at \$85K and not sure want to go down that road. **Achorn** said the range was \$55-65K. **Bickle** – plus insurance benefits. **Wunsch** does not see a need to raise Fred's salary to get him in the door, need to look at creating incentive to get us to the ALS. When interviewing Fred his number one concern was it would be an early retirement job for him and questions for him to answer and come to work within the advertised salary range and will work hard. **Sanders** felt they should go at the top end of the range at \$65K; conducted a real estate comp search just to see what it takes to get on the Peninsula and \$65K won't cut it. It's not fair to know what his retirement package is from where he's coming from. **Bickle** said it's an open dialogue; have the general premise built around the job description. The other thought process could be to start him at \$65K and then when he gets us to ALS – which could be a 12-month process – then increase to \$75K per year, so therefore there is a strong incentive to help deliver on ALS and when added to the other benefits this could be a good living wage. If candidate says he needs more then they will gather to make sure and do what is reasonable. **Manigold** stated that this has come up in the Personnel and had started at \$65K and with ALS would automatically go up to \$75K plus if he stays in the township he gets a \$2,500 living bonus. **Achorn** – was looking at the \$60K and if he was the best candidate should they offer the \$65K top range as advertised. **Wahl** – agree, but could not go above the \$65K without re-advertising. Board all agree should be offered \$65K at the top range. **Wunsch** recommended starting at \$61K – if the offer is above the mean of the salary range then it was done in good faith. [change tape.] Board determined to reach a consensus first and then vote. **Achorn** – 30/60/90 day was presented to the Board by him; the Board did not ask him. It is a short window of his performance and they will be able to tell quickly if he can produce within 90 days. **Wahl** agreed that \$61K is too low. **Bickle** stated that one of the things he feels strongly about is he is appreciative of Fred's 30/60/90-day plan but in all fairness, no one knows exactly what the depth and breadth of everything that needs to be done. Will take 90 days just to figure out which end is up, so not putting any emphasis on that performance metric – it's a pledge and would almost set it aside. The componentry of him being able to focus on what needs to be done, with the high end of the salary, with an ALS salary adjustment, has got the right focus; he will be incentivized. **Wahl** – concurs; go to the top and \$10K instead of \$5K bonus for ALS; incentivize ALS and get that going as soon as possible, but hadn't thought about the 30/60/90 days review. **Achorn** said to take out the 30/60/90 day and concur that it will take longer than 30/60/90. **Manigold** – take out the 30/60/90 and upon completion it will be a \$10K increase. **Bickle** stated that has verbiage that will identify that; asked if there was a consensus – Board all agreed. **Manigold** – within one year hopefully he will be at \$75K. Has guys with ALS that may want to move up here. **Bickle** – confirm with the Board that will adjust this where he starts at \$65K, and with the successful completion of ALS his salary will go up \$10K to \$75K – all this subject to periodic review. **Manigold** – and have Schwartz do the review on this. **Achorn** – final sentence, paragraph 3, change “city” to “township.” **Manigold** – he will be offered the plan through BC/BS; he's not a union employee but he is different than a regular employee as the Fire Chief due to hours; some things in the handbook will also need to be changed. **Wahl** – he will also get per call pay. **Strom** – will the Board come up with an hourly wage for him; hourly rate is different between part-time and full-time. **Bickle** – they tried to arrive at a number like that but were not successful because all their fire guys are basically paid hourly. So, in the contract will pay per run, to be determined, is key. **Achorn** – going back to the sentence in the middle of page 2 at the top – said the chief will be paid the “same” payment; would it be a “similar” payment? **Wahl** stated they are talking about just the salary, and the salary is different than when talking about hourly additions.

Achorn – is it the same as the union? Is it the same as the non-union? **Bickle** – will need to defer to the labor attorney Schwartz to help us define that; when Achorn is talking about page 2 we don't know what that run rate is but will get guidance from Schwartz to say what that is and fill it in. **Manigold** – it's a flat fee once get there, but then if there's a fire and you're there for many hours. **Strom** – that's how it used to be but then they went to hourly, so whatever your hourly rate is, and how long you're on that scene, that's how much you get paid for. **Manigold** – Schwartz would say what his hourly rate is then, and that it will change, or do a flat. **Bickle** – let's not determine that right now; put a question mark on that and go to legal counsel and see what they say and if must come back together then we will come back together on that. Likely to be flat number or fee, and will go that route as a Board consensus. **Manigold** – basically the package is the same as anyone who is working here full-time; he will have pension and insurance and have his family on. **Wahl** – page 3, Section A, should be “to – and – from” technically. **Manigold** – and they are offering him the vehicle to work. **Achorn** – include the necessary IRS wording to keep from being taxable. May immediately respond to a fire emergency that shows he can have it at home and use it to commute as needed without being taxable. **Manigold** – the rest is basics coming in. **Wahl** – nothing on page 4. **Manigold** – pages 4 and 5. **Achorn** – all dates, went back to see how everyone else is treated and how it goes through payroll records and where the insurance kicks in. **Bickle** – that is some of the record clarification that Achorn provided to make sure these components tied back to the correct dates, times, and plans of that nature, and have absolute confidence it is all correct. **Achorn** – only caveat is that if his start date is not December 1st then all the dates change. **Manigold** – page 6 is kind of confusing; we want him in the township, maybe say locate and the next page \$2,500 is too low. **Bickle** – moving back; any questions for page 5. **Wunsch** – yes, on “G” commit to pay license, certification, and continuing education, or do they commit to reimbursement. **Bickle** – he's going to continued education courses as it pertains to his certifications. **Wunsch** – should they specify he is paid up front, or reimbursement? **Wahl** – we can pay up front because he will need those certifications; it's like with a new firefighter. **Bickle** – what is the consensus? **Achorn** – do they pay directly to the institution or whether they reimburse him for tuition paid? Will look to see if there is an IRS difference to keep it untaxable. **Bickle** – if they do pay, so it comes back that it is part of their continuing education versus us paying for it and then submitting an expense report. Achorn – off top of head it doesn't matter either way, but will double check. **Manigold** – with page 6, basically how they are handling employees right now. The 20-mile thing – they want him on the Peninsula, and through the union negotiations with anybody ALS, that's where they pulled it out of the union contract. **Bickle** - verbatim. **Manigold** – so that they could bring somebody out, some kid to help him out; but he's a guy with a family and not going to be renting but buying a house – would it make more sense for \$4K? **Sanders** – if you're doing a radius search from the base of the Peninsula and you go 20 miles out you're going to find affordable housing within that area, or do you want to base the search from this location. **Wahl** – you're saying you want him on township, period, and not the 20 miles bonus but on-township. **Sanders** – residents used to keep in that; purchase or rent. **Achorn** – questioned if mileage numbers will be less because he is the chief and they want him closer, and what is the remuneration for that. **Manigold** – we are trying to get some incentive programs for the ALS to live out here because we know it's a higher cost of living – that's how they negotiated the \$2,500; dialogue included many scenarios to come up with that. Wondering, for the chief, if requiring living on the Peninsula that maybe \$2,500 is not enough. **Wunsch** – a difference in the annual cost. **Wahl** – it can be done as he's done it for four years. **Sanders** – changes in four years; if want to afford a house on here you're looking at

\$300K. **Bickle** – he is a good communicator. Huge amount of property and may do that up here. She works in the banking business. Verbiage is directly from the union contract. The dialogue on the table is if want to tighten up the radius. **Sanders** – radius is the wrong word – 20 miles is Ellsworth. **Strom** – it's as the crow flies; could go way past; could go to Northport. **Wahl** – put it as one for 20 miles from the south and one for on the Peninsula, which is a little higher. Give a bonus if within 20 miles from the south. **Sanders** – first take out the radial miles. **Bickle** – in the job description that everybody applied to there was a very specific phrase stating preference if the employee lives in Peninsula Township, step one, so that has precedence. Number two, must live within 20 miles of the township. Achorn – that makes it the second part of the sentence, changing it from 25 to 20 miles. **Manigold** – in favor of him living in township and go to \$5K. **Wunsch** – I'd look at \$10K as basically approximate \$130-150K premium if annualized the cost of owning a home. **Sanders** – putting a lot of weight on him to secure residence in the township. **Bickle** – made it very clear that preference is if employee lives in Peninsula Township, semicolon, must live within 20 miles of the township within one year of employment. **Wahl** – the law goes by radial miles, that's why it must be specified non-radial if that's what they're looking for; we must allow him within the 20 miles radius, so do 1) if within 10 or 20 road miles from the southern and that's \$2,500 and then \$5,000 on the other. **Achorn** – why would he need \$2,500; he could get a nice little house at the base of the Peninsula. **Wahl** – because trying to get away from the radial. **Bickle** – makes a lot of sense, and would hope that it's reasonable for Fred to know we want him to live here; we said that in the job description. **Wunsch** – he could live in Charlevoix by terms of the contract but if chooses two hours away then that employee shouldn't be on our payroll. **Manigold** – we did specify that he live in township, and what is rent - \$1,500? **Sanders** – rentals are starting at \$1,500. **Bickle** – a \$400K home would be \$1,700 a month. Sort of consensus so far; the verbiage in the job description should be in this draft contract: preference that employee lives in Peninsula Township; must live within 20 miles of the township within one year. So, if there's a general consensus we'll insert that – what about the rest of it? **Manigold** – this isn't a union employee – this is Chief to be seen locally and talking with the community, and not going to be doing that if he lives in Kingsley. **Bickle** – guiding language; still stipend if resident? Then we will keep in paragraph J within one year of his first actual date of employment with the township employee shall – that's where we'll insert – live on the Peninsula or must live within 20 miles of the township, because that's consistent with the job description. We are going to remove the 20-mile radius. **Wahl** – I would add road miles. **Bickle** – within 20 road miles as measured from the nearest township limit? **Manigold** – that could be the catch; it is totally wrong. **Sanders** – can't force somebody to live here. **Wahl** – it's technically up to due process. **Sanders** – he wants to live here, we already know that. **Wunsch** – don't know if can force him to live out here but we can incentivize him strongly. If in Northport or Charlevoix or any of the other places because if I were taking a job in role where I needed to get to work very quickly I wouldn't put myself in a position where I'd have to commute an hour and a half to get there. The terms of the contract may allow that, but it's logical that if he did that it would be a real hang up for his job and a performance problem with the employee. **Manigold** – concede to majority, and go to \$5K then? **Wunsch** – yes. **Wahl** – yes, as a Peninsula resident. **Bickle** – Consensus on this paragraph: within one year of his first actual date of employment with the township, employee shall retain residence, and insert with preference that employee live in Peninsula Township and should probably be the opening salvo on paragraph J. So, will insert as opening line that preference that he lives on Peninsula Township and state see job description, must live within 20 road miles... **Achorn** – please read verbatim. **Bickle** – so preference that employee lives in

Peninsula Township; must live within 20 road miles of the township within one year of employment. Do we keep as measured from the nearest township limit? Board discussion. **Bickle** – so road miles from the nearest township limit period. It says however, employee may retain a residence within 25 miles of the nearest southern township limit. Stay or strike that? **Board** – strike that. **Bickle** – so employee shall receive a \$5K annual bonus payable on March 31st each year if he has been a township resident for a full year and retains his ALS certification. Payment shall be made on a prorated basis, based on full months worked in the first year of service. So, if he starts work mid-year that’s what it’s referencing. Employee must be on the payroll as of March 31st each year to receive the bonus.

Bickle – No question with Item K. Vacation and sick time; these are items Fred currently receives and is a reasonable component to put in there. He has the years of service and so we’re acknowledging that he earned this. **Wahl** – to do the wording, add a comma after vacation. [changed tape]. **Wahl** – procedural thing for contracts back on page 3, advanced life support he’ll reference ALS later, so ALS in parentheses. **Bickle** – back to page 7, comma after vacation, everyone consensus on the content? **Wunsch** – still think they need to specify whether they’re going to grant the 12, 6 and 3 days at the beginning of the contract? **Wahl** – going up from that. **Achorn** – 26 vacation days in December, and another 26 the next year? **Bickle** – don’t carry over sick and vacation. **Wahl** – most have a time period before you could take any vacation. **Bickle** – 90 day holding period. He’s not going to start until January. When completes transitional documents, if put a 90-day holding period. **Achorn** – they have alluded to that on paragraph 4, page 3, commencing 90 calendar days after his first day of employment, except for. **Sanders** – copy that and insert here. **Bickle** – like that consistent verbiage. **Wunsch** – it would be helpful to provide him with unpaid leave time generously during his first six weeks of employment or something. **Manigold** – may want to do first six months. **Wunsch** – agreed. **Sanders** – works to get him to ALS standard. **Manigold** – it might take a year, or it might be sooner; he’s done it before. **Wahl** – page 8, between with “dash” or without. Put a dash before and after “or.” **Wunsch** – Option for Supervisor or Personnel Committee to do performance evaluations or go before the Board? Open to giving the Board the flexibility for performance evaluations. **Sanders** – okay with it after the first x amount of time; first year take it to the Board. **Bickle** – agree, it’s either he delivered or not. **Sanders** – and the public wants to know. **Wunsch** – trying to balance the importance of what they’re doing as transparent and not making management of an employee cumbersome. **Bickle** – we’ll propose that it be a town board situation and see what his response is but it is the right way to go. **Wahl** – years 5 or 2 wherever we see this we’ll boilerplate it. **Wunsch** – okay. **Bickle** – will make the modifications and send to Schwartz. How to send the final draft to the Board members. **Manigold** – would like the Board to see it before sending it to Fred. Do by Thursday. **Sanders** – vote on the amended draft. Motion made to approve the draft as amended by **Sanders**, supported by **Bickle**. **Achorn** – so the reading of the draft after the amendments is not an Open Meetings thing, just a clarification to make sure that what we discussed in the next draft for typos. **Bickle** – no material changes. **Wunsch** – Personnel Committee anything in contract that need; anything in the contract to negotiate on? **Manigold** – we have another meeting with the full Board after the public hearing for him. **Bickle** – so vital, majority. **Achorn** – page 2, change “same” to “similar.” **Manigold** – Motion to amend as agreed upon made by **Sanders**, supported by **Bickle**. Roll call vote – **Passed Unam.**

8. Citizen Comments

Nancy Heller – get Jo on a conference call. Clear on website the contract is noted as a draft. Basic math and total compensation. Specify no moving expenses included. Attended the interview, public wasn't present. **Manigold** – Stay within parameters of what was advertised.

9. Board Comments

Bickle – to Nancy's point, feel that they have done their very best to be open. Good comment – show total compensation. **Achorn** – cost element in vacation and sick pay. **Bickle** – it will be north of or close to \$100,000 total, as long as the residents are aware of that. **Manigold** – he's a guy that will go on every run. **Nancy Heller** – timing of the meeting. **Manigold** – this was a result of talking to Schwartz and needed to meet as soon as possible; the next one will be at the regular monthly Board meeting.

10. Adjournment

Motion to adjourn by **Wunsch**, with a second by **Sanders**. **Passed Unam.**

Respectfully Submitted,

Ruth Dudley