

**CITY OF HARAHAH
6437 JEFFERSON HIGHWAY, HARAHAH, LOUISIANA
MAYOR AND HARAHAH CITY COUNCIL
April 29, 2015**

The Mayor and the Council met on the above date for a special meeting at 6:00 pm.

PLEDGE OF ALLEGIANCE

Following the Pledge of Allegiance, the Mayor called the Meeting to order at 6:00 p.m.

ROLL CALL

Present: Mayor Miceli, Councilman Baudier, Councilman Benton, Councilman Huete, Councilman Johnston, Councilman Wheeler, Municipal Clerk Nicole Lee, Fire Chief Todd St. Cyr, Police Chief Tim Walker, City Attorney Tommy Anzelmo, Jr.

Mayor Miceli thanked the Council for changing the date and gave her reasons for changing the insurance plan. She looked for a plan that would help the most employees and save the city between \$10,000 and \$17,000 per month. That plan is Humana. There is more flexibility and Blue Cross is limited to La. while Humana is available nationwide. Humana has a wellness plan. Since the previous administration allowed the council persons to participate in the insurance plan in 2013 it has cost the city more. The city pays 1/3 of the cost of the family where no other city does this. She is confident that the majority of the employees will benefit from this change. She wants to make the shift to the better plan that benefits more employees and at the same time save the city money. She said there is no plan that will win universal appeal.

ADDRESS THE COUNCIL

Former Mayor Vinny Mosca, Stoneleigh Dr. He says that he often made errors in judgement and he has apologized for that. He made executive decisions to hire more firemen, policemen, maintenance, and recreation dept. employees. For the most part – he said that the employees live in Harahan. The emotional part for him said that they are 4 months into the plan with Blue Cross with 8 months left. This is a financial burden on the city, but it is also a financial burden on the employees who will have to meet a second deductible. Some have on-going medical problems and medications that are not on the medical plan. The remainder of the payment is \$70,000 and he has two options to make up that payment. He filed a \$3 million lawsuit against BP along with Gretna, Grand Isle, Laffite, Harahan, Kenner, and Westwego. He says the payment will be \$70,000 for sure. He then asked that the city do a cooperative agreement with the Parish for the \$70,000. Johnston normally gives us \$200-\$250,000 a year. He knows this is difficult and the Mayor is making a decision that helps the citizens of the city. The tougher decision was to keep the Blue Cross plan until the end of the year. He said the council will bond together for the betterment of the city in time. He asked they consider a middle ground.

RESOLUTIONS

The following resolution was offered by **Councilman Huete**.

1. A resolution to preserve the city of Harahan Health coverage with **BLUE CROSS BLUE SHIELD, HMO LOUISIANA** until January 1, 2015.

Discussion:

Councilman Huete said that she and three other council members called for a meeting for last night. She feels that everyone here supports the resolution. Its personal to the employees. She understands health care and the only reason that this has been brought forward is for the employees. Our employee's average salary is \$34,000 per year and a second deductible is a financial burden. She cares about the employees. She understands that there is a budget shortfall but the employees are our most precious assets. She wants to find the extra money or spend the \$70,000 from the city budget to go to the end of the year.

Councilman Baudier said his frustration was that new business was talked about to create a business friendly city and that would bring in more money. He feels that the city is not promoting business. He feels not a single step has been taken to accomplish that goal. He pays his employees' insurance.

Councilman Wheeler said she knows that there is a deficit and this is a tough decision. She is a business owner and pays her employee's insurance. She would do without for her employees. She doesn't think 2 weeks is enough time to make changes for the families. The burden is on the employees. It could force the employees to seek employment elsewhere.

Councilman Benton – the members were elected by the citizens of Harahan and we should do what is best for them. The city must stop overspending. This decision is difficult because if a company is bleeding – then the company must do what is necessary. It is not prudent to deny the city a \$70,000 cut or abandon a plan that benefits the majority of the electorate. We would not be here tonight if the previous mayor had not adopted a plan that increased the insurance premium by 58% or \$180,000 in the second year of illegal spending. The citizens want better government and are tired of the politics of the past. We have to bring the city to firm financial ground.

Mayor Miceli said that in 2012 the city was spending \$307,000 for insurance. In 2014 – \$486,000 a difference of \$179,399. It's a significant increase. The decision is not easy and she hopes the council will come together to help with the financial problems. A motion was offered by **Councilman Huete** to adopt the resolution.

The Mayor called for a vote. The vote was:

YEAS: Baudier, Huete, Johnston, Wheeler

NAYS: Benton

ABSENT: None

MOTION APPROVED

ADDRESS THE COUNCIL

NEW BUSINESS

1. City Engineer / Engineering Contract

Councilman Huete said that a discussion about the new engineering contract didn't go too well. She asked the city attorney's opinion about cancelling the contract of Meyer Engineers and awarding the contract to another company.

City Attorney Anzelmo said that the mayor cannot execute a contract without the council's approval but an Attorney General's opinion said that the Mayor has the sole authority to enter into the contract. There may have been an existing contract – it is the mayor's prerogative to enter into a new contract. And pursuant to the budget and the money is there – it is beyond the power of the council to force the mayor to cancel the contract.

Councilman Huete said she was trying to figure out what the council's job was. She asked what we do since we cannot control entering and canceling contracts.

Mr. Anzelmo said the Council has the control of the purse and that power would be exercised during the budget process. Councilman Johnston has introduced an ordinance for a line item budget. The budget is where the money is allocated. If the contract goes beyond the budget then the council would have to approve.

Councilman Huete said that the Mayor wants us to collaborate and she agrees but her request to the Mayor would leave the council feeling better if she would not make decisions behind closed doors and private meetings.

Councilman Wheeler said that if x amount of dollars were allocated and if the dollars exceeded that amount would that negate the contract.

Mr. Anzelmo said he would investigate the matter.

Councilman Baudier asked if the council could write ordinances to mandate the council's approval on contracts.

Mr. Anzelmo replied no.

Mayor Miceli said that she wants to meet with the council and invites everyone to participate. She is meeting with Councilman Wheeler and the City Attorney to review a contract proposal after the meeting. She said the city cannot keep on the same course. There are financial and infrastructure issues. The city spends an extraordinary amount on engineering and it affects the city on a day to day basis. She is looking forward to working with Stuart Consulting.

Councilman Wheeler asked about the savings.

Mayor Miceli said that it is a very complicated answer. There are two components – the designer and the project manager - one is paid on percentage and the project has engineering fees. Monthly reports will come from Stuart and they are looking into 5-6 grants for the fire department.

Councilman Wheeler asked how much Meyer was paid last year.

Mayor Miceli said that Meyer Engineering was paid over \$200,000. She said the hurdles we have are many and multiple issues.

Councilman Wheeler said that the \$200,000 could be used to pay the \$70,000 for the insurance. She thought we were saving \$200,000.

Mayor Miceli said she appreciated the sentiment, but she does not have the figure of what is being saved. She explained the other fees and said there is a limit being put on that amount.

Councilman Benton said we are not saving \$200,000 – this is what was paid.

Mayor Miceli said that the city paid Meyer Engineers over \$200,000 last year. But she has put a limit on what will be spent this year but the prospective projects cannot be figured in yet.

EXECUTIVE SESSION

None

ADJOURN

A motion was offered by **Councilman Johnston** and seconded by **Councilman Benton** to adjourn at 6:38 pm

The Mayor called for a vote. The vote was:

YEAS: Baudier, Benton, Huete, Johnston, Wheeler

NAYS: None

ABSENT: None

MOTION APPROVED

Tina Miceli, Mayor

Nicole Lee, Municipal Clerk

A. The following matter involving pending litigation may be considered:

- 1. Phillip Canella vs. Arch Ins. Co., City of Harahan, Todd A. St. Cyr and Allstate Ins. Co.; 24th JDC, Case 744-961, Div. "I".**
- 2. Susanne K. Scalise vs. City of Harahan, LA, Anne Gordon, Louise Slayden, Ronald Gordon, Gail Gordon; 24th JDC, Case 744-986, Div. "O".**

B. The following matter involving prospective litigation for which formal written demand has been made may be considered.

C. The following matters involving discussion of the character, professional competence, or physical or mental health of:

Name