



**City of Rochester Hills
AGENDA SUMMARY
FINANCIAL ITEMS**

**1000 Rochester Hills Dr.
Rochester Hills, MI 48309
248.656.4630
www.rochesterhills.org**

Legislative File No: 2007-0738

TO: Mayor and City Council Members
FROM: Pamela M. Lee, Director of Human Resources, ext. 2521
DATE: October 8, 2007
SUBJECT: Labor and Employment Legal Services

REQUEST:

Request for Purchase Authorization for labor and employment legal services, blanket purchase order not to exceed \$130,000; Kemp Klein Law Firm, Troy, Michigan.

REASON FOR PURCHASE:

Thomas L. Boyer continues to provide principal labor and legal services to the City of Rochester Hills, with added support from other specialized attorneys on staff as needed. Mr. Boyer's experience with Rochester Hills city government over the past 32 years provides a valuable institutional memory and unique historical perspective for this organization.

In 2008, the arbitration proceeding under Public Act 312, with the union representing the City's Firefighters, IAFF Local 3472, will continue to demand time and legal resources. Intense preparations are currently underway for hearings scheduled to begin in late November. Mr. Boyer will serve on the arbitration panel as the management delegate. He will work closely with Attorney Dennis Dubay of Keller Thoma PC, who is the advocate for management and myself in preparing the case for the Rochester Hills. The major economic issues involved, including pension and health care, have serious financial implications for the City.

Other matters involving Mr. Boyer's assistance during 2008 include preparation for negotiations with the City's largest employee bargaining unit, AFSCME Local 2491, anticipated to begin in fall of 2008, as well as ongoing assistance with compliance on various labor and legal matters. In addition, negotiations for the next fire union contract will probably begin shortly after the arbitration decision is rendered, which will likely result in a new four-year contract through 2008.

PROCESS:

Vendor Name and Address:

Kemp Klein Law Offices
201 Big Beaver Road, Suite 600
Troy, MI 48084

Reason for Selection:

Quality Based

Method of Purchase:
Blanket Purchase Order

BUDGET:

The blanket purchase request remains at \$130,000, unchanged since 2005. Despite the uncertainties associated with the demands of arbitration during the coming year, we will continue to manage the within budget and request amendment only if necessary, as circumstances dictate. The attorney rate for the City will also remain unchanged at \$150 per hour, which is considerably less than their standard rate for legal services.

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
General Fund	210.950002	Legal-Labor & Empl	\$89,000	\$60,000	\$29,000
Fire Fund	206.805002	Legal-Labor & Empl	\$60,000	\$40,000	\$20,000
Sewer	510.805002	Legal-Labor & Empl	\$15,000	\$15,000	0
Water	530.805002	Legal-Labor & Empl	\$15,000	\$15,000	0

RECOMMENDATION:

Approval of a blanket purchase order not to exceed \$130,000 payable to Kemp, Klein Law Firm from January 1, 2008 through December 31, 2008 is recommended.

RESOLUTION

NEXT AGENDA ITEM

RETURN TO AGENDA

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Budget Content: Finance Director		
Purchasing Process: Supervisor of Procurement		
Mayor		
City Council Liaison		