

Lansing, Michigan

October 3, 2000

A regular meeting of the State Administrative Board was held in the State Capitol, Senate Appropriations Room, 3rd Floor, on Tuesday, October 3, 2000, at 11:00 a.m.

Present: Brian DeBano, Director of State Government Affairs, representing John Engler, Governor, Chairperson  
Dan Gustafson, Chief of Staff, representing Dick Posthumus, Lt. Governor  
Theodore Hughes, Assistant Attorney General for Law, representing Jennifer M. Granholm, Attorney General  
Julie Croll, Deputy State Treasurer, representing Mark A. Murray, State Treasurer  
A. Edwin Dore, Deputy Secretary of State, representing Candice Miller, Secretary of State  
Carol Wolenberg, Deputy Superintendent, representing Arthur Ellis, Superintendent of Public Instruction

Arlene Oisten, Secretary

Absent: None

Others Present: Wes Van Malsen, Department of Career Development; Sherry Bond, James Burris, Kathryn Jones, of the Department of Management and Budget; Randy J. Knapp of the Department of Transportation; Jami DesChenes of Senator Mike Rogers' Office; Darnelle Dickerson of Representative Martha G. Scott's Office; Titus W. McClary, Erwin Hollenquest, Robert Davis, Hubert Yopp, City of Highland Park; Tressa Bankhead and LeShaun Ridgeway of CFA International LLC; Frank Cusmano of Cusmano, Kandler and Reid

1. CALL TO ORDER:

The meeting was called to order by Mr. DeBano. Reverend Gordon Weller of St. Paul's Episcopal Church in Lansing gave the invocation. Mr. DeBano led the Pledge of Allegiance to the Flag.

2. READING OF MINUTES OF PRECEDING MEETING AND APPROVAL THEREOF:

Mr. Hughes moved that the minutes of the State Administrative Board for the special meeting of September 15, 2000 and the regular meeting of September 19, 2000, be approved as distributed. Ms. Wolenberg supported the motion, and it was unanimously adopted.

3. HEARING OF CITIZENS ON MATTERS FALLING UNDER JURISDICTION OF THE BOARD:

Mr. Titus McClary, Council President for the City of Highland Park, presented his concerns with the potential elimination of the Highland Park Police Department and the co-mingling of public services with the City of Hamtramck. There had been no public hearings in the City of Highland Park on the issues at this point.

Mr. Darnelle Dickerson, representing State Representative Martha G. Scott, expressed concern about the co-mingling of services. The Representative's concern to the Board was how this action was going to be different from the last action the City of Highland Park had pursued. It was requested that the Board table this motion until all the members of Highland Park City Council had had an opportunity to publicly review the proposal submitted to the Board.

Ms. Croll, of the Department of Treasury informed Mr. Dickerson that the action of the Board did not preclude the Highland Park officials from meeting on this issue. The Board action is necessary at this time in order to have the municipal bond request included with the October Department of Treasury bond submissions. The next available time would be in April, which would not be timely for the City of Highland Park's economic needs.

Mr. Robert Davis, a resident of the City of Highland Park, expressed his concern that the Board's action would be an approval of the proposal submitted by the City to eliminate the City of Highland Park Police Department through outsourcing of the police services and co-mingle waste services with the City of Hamtramck. There had not been public hearings or negotiations with unions on these issues and Mr. Davis requested that the request for the fiscal stabilization bonds be tabled.

Mr. Hubert Yopp, of the City of Highland Park Police Department and member of union Local 355, expressed his concern as an officer and a citizen about the potential elimination of the Police Department.

Mr. Erwin Hollenquest, Director of Finance for the City of Highland Park spoke on the proposal submitted to the Board. He explained that this was only a proposal and that no final action would be taken until the City Administrators, City Council, the Department of Treasury review team and unions had reviewed the proposal and reached an agreement.

Clarification was requested for Board members concerning the proposal's language. The language did not dictate that these items must be implemented, but were stated as "considered", "recommended" and "proposed" items.

Mr. Davis referred to Section VIII, subsection 9 and the three points following subsection 10 of the proposal as concerns that these items must be implemented to achieve the proposed savings. He felt that the approval of the bond issue would authorize the implementation of these items without public meetings on these issues.

Clarification for the Board members was requested. The Board would only be approving the issuance of the bonds, not the City of Highland Park's plan to achieve the goals in their proposal. Section 6 of the August 21, 2000 resolution of the City Council of the City of Highland Park gave the authorization to City officials to implement the resolution to obtain the fiscal stabilization bonds under P. A. 80 of 1981. The City's proposal was submitted in accordance with that resolution.

Ms. Jami DesChenes of Senator Mike Rogers' Office offered thanks to the Department of Treasury and the State Administrative Board, on behalf of the Senator, for the work and consideration of the Education Savings Program contract with TIAA-CREF Tuition Financing. The Senator hopes that accounts can be opened by the end of the year.

4. COMMUNICATIONS:

None

5. UNFINISHED BUSINESS:

None

6. NEW BUSINESS:

Retention and Disposal Schedule:

Department of Community Health, Division of Community Services, Lead  
Hazard Remediation Program, 9/6/00

Department of Consumer and Industry Services, Local Development Services  
Bureau, 8/23/00

7. REPORTS AND RECOMMENDATIONS OF COMMITTEES:

(Please see the following pages)

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Ms. Croll presented the Finance and Claims Committee Report covering the regular meeting held September 26, 2000. After presentation and review of the forgoing Committee Report, Ms. Croll moved that the regular Finance and Claims Committee Report of September 26, 2000 be approved and adopted with the withdrawal of item 9 (1). The motion was supported to approve the Report, as amended, by Mr. Hughes and unanimously approved.

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Ms. Croll presented the Building Committee Report covering the regular meeting held September 27, 2000. After presentation and review of the forgoing Committee Report, Ms. Croll moved that the regular Building Committee Report of September 27, 2000 be approved and adopted. The motion was supported by Mr. Hughes and unanimously approved.

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Mr. Dore gave the presentation of the Transportation and Natural Resources Committee Report for the regular meeting of September 27, 2000. After presentation and review of the forgoing Transportation and Natural Resources Committee Report, Mr. Dore moved that the Transportation and Natural Resources Committee Report covering the regular meeting held September 27, 2000 be approved and adopted. The motion was supported by Ms. Wolenberg and unanimously approved.

8. MOTIONS AND RESOLUTIONS:

None

9. ADJOURNMENT:

Mr. Dore moved the meeting be adjourned. The motion was supported by Mr. Hughes and unanimously approved. Mr. DeBano adjourned the meeting.

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SECRETARY

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CHAIRPERSON