

1 CITY OF FLINT
2 RECEIVERSHIP TRANSITION ADVISORY BOARD MEETING
3 WEDNESDAY, SEPTEMBER 13, 2017
4 2:00 P.M.

5
6 Meeting before the RTAB Board at Flint
7 City Hall, Flint, Michigan, on Wednesday, September 13,
8 2017.

9
10 BOARD MEMBERS PRESENT:

11 Frederick Headen - The Chairperson
12 Joel Ferguson (by phone)
13 David Tarver (by phone)
14 Paul Newman

15 FROM THE CITY:

16 City Clerk, Inez Brown
17 City Attorney, Angela Wheeler
18 City Administrator, Sylvester Jones
19 Chief of Staff, Steven Branch
20 Deputy Finance Director, Dawn Steele

21 OTHERS PRESENT:

22 R. Eric Cline
23 R.L. Mitchell

24 REPORTED BY: Mona Storm, CSR# 4460
25

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1 Flint, Michigan

2 Wednesday, September 13, 2017

3 2:03 p.m.

4 THE CHAIRPERSON: Meeting will be in order,
5 please.

6 Let the record reflect that we do have a
7 quorum of all members, including Mr. Ferguson and
8 Mr. Tarver parting by telephone this afternoon.

9 Next item is the approval of the agenda.
10 There are no, that I'm aware of, additions to the
11 agenda. So, without objection, we'll consider the
12 agenda to be approved as presented.

13 Next item of business is the approval of
the
14 RTAB meeting minutes from August the 9th. They are
in
15 your packet as Attachment 1. Are there any
corrections
16 or additions to the minutes as presented?

17 If not, I'll entertain a motion that the
RTAB
18 meeting minutes from August 9th be approved and
19 submitted.

20 MR. NEWMAN: So move.

21 THE CHAIRPERSON: Support?

22 MR. FERGUSON: Support.

23 THE CHAIRPERSON: Any discussion?

24 Hearing none, those this favor, please say

1 BOARD MEMBERS: Aye.

2 THE CHAIRPERSON: Opposed?

3 The minutes of August 9th are approved.

4 Next item of business, Unfinished Business,
5 we have Resolutions 264.1 and 327, both from the
6 Regular City Council meeting of June 12th. We have
7 those on the agenda as Unfinished Business, as we did
8 last month, simply as a reminder that we do not yet
9 have all necessary signatures for those resolutions.
10 Therefore, those two resolutions remained unapproved
11 and without effect thus far.

12 Once we acquire the additional signatures -
13 and this will be given to Mr. Cline -- we will place
14 those on the agenda for action at a future meeting.

15 Ladies, I assume you are approaching
16 regarding these two items?

17 MS. BROWN: Yes, sir. Especially with the
18 adoption of the -- from City Council. Those
particular
19 of rules are internal to the Council, as a body
itself,
20 in terms of how it functions during the meetings and
so
21 forth. And so Angela and I both have talked and
we've
22 determined, kind of "we", that it wasn't necessary
for
23 those to appear before your body.

24 The original amendment was adopted in 1976.

25 It would be after the Charter. And there have been

minor 1 really no revisions since 2009 and 2010 and just
2 revisions at that point.

internally 3 In other words, it has to do with
4 how the meetings are supposed to run and that's
5 basically it.

6 THE CHAIRPERSON: This is in regards to
7 264.1?

8 MS. BROWN: Yes.

send 9 THE CHAIRPERSON: If you would, please,
10 us whatever information -- send it to Eric Cline,
11 please, whatever information in support of that
12 position. We'll be happy to take a look at it and
13 contact with any questions we might have. Otherwise,
14 if it's -- if we agree, we'll simply pull the item
off 15 of our agenda.

16 MS. BROWN: You mean the original 1976
17 version?

in 18 THE CHAIRPERSON: No. I'm more interested
19 sort of rationale as to why this particular
resolution 20 would not need RTAB approval.

21 MS. WHEELER: We can work to get to do that
22 and send something to you, Mr. Cline.

23 THE CHAIRPERSON: Certainly.

24

Next item is New Business.

25

Mayor and Council President, I understand

1 there's a conference going on in which City officials
2 are in attendance.

Mayor's

3 Mr. Jones, anything on behalf of the
4 office or Mr. Branch?

5 MR. JONES: Nothing.

6 THE CHAIRPERSON: I see Councilman Kincaid.
7 Councilman, anything on behalf of Council
8 President Nelson?

meeting

9 MR. KINCAID: Thank you, Mr. Chairman. We
10 don't have -- Council President Nelson is in a
11 with the Municipal League Conference. And I'm on a
12 conference call right now, discussing the legal water
13 issue that we have. So I'm going to step back out
14 I'll come back. If there's any questions for the
15 Council, when I come back, I'll try to answer them
16 you. Okay?

but

17 THE CHAIRPERSON: Thank you.

18 MR. KINCAID: Thank you.

for

19 THE CHAIRPERSON: We'll proceed next to the
20 Approval of Resolutions and Ordinances from City
21 Council meetings. We'll begin with resolutions from
22 the Regular City Council meeting of August 14, 2017.

23 Mr. Cline?

this

24

MR. CLINE: Yes. Good afternoon. From

25

meeting, we had Resolution 384.2, which was the final

1 adoption of the City's Consolidated Action Plan,
which
2 makes them eligible for community development block
3 grant funding. This plan runs from 2017 through
2021.

4 We had Resolution 427, which is a three-
year
5 agreement with ASK Services, in the amount of \$50,000
6 for title searches.

7 We have Resolution 428, which is an
agreement
8 with Hatch Laboratory Services, a three-year
agreement
9 for laboratory supplies for the Water Department, in
10 the amount of \$34,000.

11 Resolution 429, with VWR Scientific, again,
12 three-year agreement for water system laboratory
13 supplies, in the amount of \$58,000.

14 We have Resolution 438, which is a budget
15 amendment to the fiscal year '18 budget, in the
amount
16 of \$42,510, to lose some money in order to fund a
17 professional service agreement within the Police
18 Department.

19 I do want to mention that resolutions that
20 are listed here on the agenda, 416 and 417, those are
21 the second reading and adoption of two City
ordinances.

22 We did not receive resolutions with all the required

23 signatures on those, so I do not know if the Board
24 wishes to address those or not.

25 So those are all the -- those are all the

1 resolutions at this time.

2 THE CHAIRPERSON: We will, without
objection,

3 defer action on Resolutions 416 and 417 until all
4 necessary signatures have been secured.

5 Regarding the remaining resolutions from
6 August 14th, is there a motion that those resolutions
7 be approved?

8 MR. FERGUSON: So move.

9 THE CHAIRPERSON: Is there support?

10 MR. NEWMAN: Support.

11 THE CHAIRPERSON: Motion's been made and
12 supported. Is there any discussion?

13 Madam City Attorney, regarding one of these
14 items?

15 MS. WHEELER: Yes. With regard to the
16 ordinances, I'm just talking them back. And,
usually,
17 the signatures with regard to ordinances usually come
18 after they've been passed through -- through this
body.

19 So I believe that it was premature to have the Mayor
20 and the City Clerk's signatures on these in
particular.

21 Because they had to go through the first
and

22 second reading, which they did. And then, after
their

23 adoption, then the signature comes but not before.

24 That would have been on Resolution -- or Ordinance
25 17-0416 and Resolution 17-0417.

1 THE CHAIRPERSON: So are we talking about a
2 procedural issue regarding these two resolutions?

3 MS. WHEELER: Yes.

4 THE CHAIRPERSON: So there are certain
5 signatures that are missing?

6 MS. WHEELER: They -- they are. But the
7 reason for that is because they need to be adopted
8 first prior to that.

9 Usually, like I say, a resolution, anything
10 of that nature, you would already have the signatures
11 on that. But, because of the ordinances, making
12 circles to sign into the law after they've been
13 reviewed and through the process of the Flint City
14 Charter going through the first and second reading,
15 that is the reason why the signatures are not on
these
16 items presently.

17 THE CHAIRPERSON: So these two items don't
18 have the signatures. Have they since been signed?
19 We're talking about, oh, roughly a month now since
the
20 meeting, City Council meeting in which these were
21 adopted.

22 Is it simply a matter of the copies that we
23 have didn't have the signatures?

24 MS. WHEELER: No. Really, it's because
they

need to come to RTAB first prior to having signatures

1 applied to these. I mean, the process would be to go
2 through the first and second reading and, in this
case,
3 go through the RTAB process and then get the
signatures
4 on these, in particular, because they are ordinances.

5 THE CHAIRPERSON: I see.

6 We'll include these two, then, 416 and 417,
7 if there's no objection. The motions have already
been
8 made and seconded. If there's no discussion, those
in
9 favor of the motion, please say "aye".

10 BOARD MEMBERS: Aye.

11 THE CHAIRPERSON: Opposed?

12 Motion is adopted.

13 Next item of business would be Resolutions
14 from the Special City Council meeting of August 24th.
15 Mr. Cline?

16 MR. CLINE: There were two resolutions at
17 this meeting. You have Resolution 410, which is the
18 reconsideration of a Change Order for a contract with
19 McDaniel Consulting for the FAST start program in the
20 amount of \$60,000.

21 And you have an agreement with
22 F&V Operations. This is Resolution 455. It is to
hire
23 two individuals to serve as laboratory staff for the

24 Water Department. This contract is in the amount of
25 \$23,406. I believe that was a 30-day agreement.

1 Those are the only resolutions for this
2 meeting.

3 THE CHAIRPERSON: Is there a motion that
4 those resolutions be approved?

5 MR. FERGUSON: So move.

6 MR. NEWMAN: Support.

7 THE CHAIRPERSON: Motion's been made and
8 seconded. Any discussion?

9 If not, those in favor of the motion,
please
10 say "aye".

11 BOARD MEMBERS: Aye.

12 THE CHAIRPERSON: Opposed?

13 Motion is adopted.

14 That brings us to Resolutions from the
15 Regular City Council meeting of August 28th.

16 Mr. Cline?

17 MR. CLINE: Yes. For this meeting, we have
18 Resolution 448, which is a budget amendment to the
19 current year budget, in the amount of \$79,789.

20 We have Resolution 449, which is an
agreement
21 with Michigan State University to implement the
recast
22 grant, which is a Federal Health and Human Services
23 grant. It is a -- as I said, a five-year grant in
the
24 amount of \$770,000 per year.

We have Resolution 450, which is another

1 budget amendment for the amount of \$510,000.

2 We have Resolution 451, which is a Change
3 Order with the contractor Innovative Software
Services
4 for additional income tax administration services in
5 the amount of \$78,000. This is a three-year
agreement.

6 Resolutions 456 and 457 set a couple of
7 public hearing dates.

8 We have Resolution 458, which is an
agreement
9 for cell service with Western State Contracting
10 Alliance.

11 We have Resolution 459, with -- an
agreement
12 with Canfield Equipment for \$80,000, to outfit six
13 police patrol cars.

14 We have Resolution 460.1, which is an
15 agreement with -- I'm sorry -- Metron-Farnier for
1,100
16 water meters in the amount of \$200,000.

17 We have Resolution 463, which is a Letter
of
18 Agreement with the City Firefighters Union regarding
19 some internal matters for absences. And I will note,
20 for the record, before the meeting today, Mr. Branch
21 handed me an item that the title of this agreement
has
22 been amended to read, "Letter of Agreement" as
opposed

change 23 to, "Letter of Understanding." That's the only
24 to it. But it does differ slightly from what was
25 provided to you for your review. I do have a copy of

1 that. It does have all the signatures. But it's a
2 very minor adjustment. I just wanted to note it for
3 the record. We'll include that in the packet.

4 THE CHAIRPERSON: Any substantive changes?

5 MR. CLINE: None is my understanding.

6 THE CHAIRPERSON: Simply a change in the
7 title?

8 MR. BRANCH: Just a change in title.

9 THE CHAIRPERSON: Thank you.

10 MR. CLINE: And then, finally, we have
11 Resolution 465, which is a Change Order with
12 Zito Construction for right-of-way repair as part of
13 the FAST start program, and that's an additional
14 contract to pick up services in additional portions
15 of the City. That would be a \$1.159 million contract.

16 THE CHAIRPERSON: And that's a companion,
17 is it not, to Resolution 464?

18 MR. CLINE: Yes, it is. Resolution 464,
19 there was an agreement between the City and a company
20 called Yeager Asphalt to perform those right-of-way
21 services. Apparently, there was some dispute over
22 contract implementation so the City rescinded that
23 contract with Yeager Asphalt and then assigned it to
24 Zito Construction is my understanding how that
worked.

1 THE CHAIRPERSON: And the question --

2 MR. TARVER: Do we have any legal exposure
on
3 rescinding the contract?

4 MR. JONES: I'm sorry? I didn't hear the
5 question.

6 THE CHAIRPERSON: David, we're in the
process

7 of having a City attorney come to the microphone.

8 The question from Mr. Tarver was whether or
9 not the City would have any legal exposure from
10 rescinding the contract.

11 MR. JONES: Okay.

12 MS. WHEELER: There should not be because
13 this was rescinded because of the other company not
14 being able to perform under the agreement. So there
15 shouldn't be any type of liability because the other
16 company, I believe, they rescinded their -- their
17 obligation or they could not fulfill it, so that's
with
18 Yeager.

19 THE CHAIRPERSON: And two related
questions.

20 One is, will this cause any delay in the work that's
21 being done by being transferred from one contractor
to
22 the other?

23 MR. JONES: No. Actually, the
conversations

24
contract,

with the personnel that would supervise this

25
will

as soon as this is approved by the RTAB, then they

work. 1 be able to be at work. So it will not delay any

not 2 Actually, there has been a delay because Yeager was
3 equipped to perform the work. And so, if this is
4 approved today, then the new company can begin work
5 right away.

6 THE CHAIRPERSON: And will the -- the
7 contractor to which this contract would be
transferred,
8 Zito Construction, I assume the City has assured
itself
9 that they're capable of doing this additional work?

10 MR. JONES: That is certainly my
11 understanding, that they -- the purchasing department
12 as well as the Streets and Traffic Division have had
13 conversations with this group, not only has approved
14 this work, with this group as well.

15 THE CHAIRPERSON: Thank you.

16 Is there a motion that the resolutions from
17 August 28th City Council meeting be approved?

18 MR. FERGUSON: So move.

19 MR. TARVER: Support.

20 THE CHAIRPERSON: Motion's been made and
21 seconded. Is there any discussion?

22 Hearing none, those in favor of the motion,
23 please say "aye".

24 BOARD MEMBERS: Aye.

1 Motion is adopted.

2 That brings us to consideration of RTAB
3 Resolution 2017-1. As I'm sure everybody here is
4 aware, at the August 8th primary, the voters in the
5 City of Flint approved a new City Charter that takes
6 effect, I believe, on January 1, 2018.

7 It was brought to the attention of the RTAB
8 thereafter that there are two outstanding Emergency
9 Manager Orders that might impede the full
10 implementation of the Charter.

11 First of all, in December of 2011, as I
12 recall, Emergency Manager Brown issued Order Number
5,
13 which eliminated the office of Ombuds within the
14 current Charter. I believe that was done for
15 cost-saving reasons.

16 And then, subsequently, in April of 2015,
17 Emergency Manager Ambrose issued a final order, Order
18 Number 20, which, among other things, prohibited
19 funding for that office.

20 There's some belief that those two orders,
21 even though they apply to the current Charter, might
22 very well spill over into the new Charter and
prohibit
23 or impede full implementation of those portions of
the
24 new Charter that deal with the office of
Ombudsperson.

whether 25

So, to avoid any possible doubt as to

1 that might occur and fully respect the will of the
2 voters, as expressed last month, this particular RTAB
3 resolution has been proposed.

4 Under the RTAB Appointment Letter from the
5 Governor from April 28th of 2015, the RTAB can
propose
6 changes to existing EM orders to the State Treasurer,
7 if he approves, can either modify or appeal existing
8 EM orders. And so that is the purpose of this
9 particular resolution.

10 Before calling for a vote, I do want to
11 acknowledge the fact that there are members of the
12 Charter Revision Commission as well as their able
13 attorney in the audience this afternoon. And I want
to
14 certainly compliment them for their hard work on
15 putting together a document that met with the obvious
16 approval of majority of residents of the City of
Flint.

17 Under our Rules of Procedure, RTAB
18 resolutions require a record roll call vote. So I
will
19 begin by asking, regarding Resolution 2017-1,
20 Mr. Ferguson, how do you vote?

21 MR. FERGUSON: Yes.

22 THE CHAIRPERSON: Mr. Ferguson votes yes.

23 Mr. Newman?

24 MR. NEWMAN: Yes.

THE CHAIRPERSON: Mr. Newman votes yes.

1 Mr. Tarver?

2 MR. TARVER: Yes.

3 THE CHAIRPERSON: Mr. Tarver votes yes.

4 Chair votes yes.

5 There are four ayes, no nays. Resolution
6 2017-1 is adopted.

7 Next item of business, City Administrator
8 Items. Mr. Jones or Ms. Steele?

9 MS. STEELE: Good afternoon.

10 THE CHAIRPERSON: Good afternoon.

11 MS. STEELE: I forwarded to your office a
12 copy of the Revenue and Expenditure Report in Budget
to
13 Actual through July 31st of 2017. That also included
14 year-end balances for June 30th of 2017.

15 As I've stated in prior meetings, we will
16 commence our annual audit on October 16th and,
17 hopefully, everything will go well and we'll be able
to
18 final it before the deadline of December 31. My hope
19 is to have it filed by Thanksgiving.

20 Going through and reviewing revenue and
21 expenditures for June 30th, we are on target. No
funds
22 will have a deficit, other than our True Grant Funds,
23 and that's because the revenue has been requested to
be
24 drawn down, we just haven't received it yet. But all

our operating funds will be in line with the adopted

1 budgets.

first

2 The current year -- or this is only the
3 month of the fiscal year, revenues for property and
4 taxes and that get posted for the full year as of
5 July 31st. So a lot of the funds, you'll see revenue
6 is substantially above expenditures. But, as the
year
7 goes on, that will change.

8 If you have any questions or comments, I'll
9 be happy to answer them.

10 THE CHAIRPERSON: Questions, gentlemen?

11 MR. NEWMAN: Just one.

12 THE CHAIRPERSON: Mr. Newman?

13 MR. NEWMAN: Will we receive information on
14 how the process is moving forward between now and
15 December?

16 MS. STEELE: Yes, I'll provide you with an
17 annual or monthly Budget to Actual.

18 MR. NEWMAN: Okay.

hadn't

19 MS. STEELE: And, if there's any concerns
20 with the auditors, when they come in or that we
21 noticed something prior, then we'll be sure to bring
it
22 before this Board.

23 THE CHAIRPERSON: Other questions?

24 Without objection, the report is received.

MS. STEELE: Thank you.

1 THE CHAIRPERSON: Thank you.

2 Public comment.

3 Mr. Cline, has did anyone sign up?

4 MR. CLINE: We have one individual that has
5 signed up for public comment this month, R.L.
Mitchell.

6 MR. MITCHELL: Good evening, RTAB.

7 THE CHAIRPERSON: Mr. Mitchell.

8 MR. MITCHELL: Mr. R.L. Mitchell and I'm
9 concerned about this 264.1 adoption. We, the peoples
10 of '63 -- you will find that you want to investigate
11 your rationale on what put you -- rely on you to have
12 time to investigate on the rationale of this 1966.
13 What you will find in '64 is the same rationale from
14 '64, to '66. But we appreciate, the Peoples of
Flint,
15 what you're doing so far to give us at a chance at
this
16 situation. (Chair breaks.)

17 My God!

18 THE CHAIRPERSON: Mr. Cline?

19 MR. MITCHELL: Must be a 1964 chair here.
20 I'm not that heavy.

21 You flipping.

22 MR. JONES: I'm going to get it together,
23 Man.

24 MR. MITCHELL: Oh, okay. Sign into

slipping.

1 MR. NEWMAN: At least one person's

2 MR. MITCHELL: Whew.

3 THE CHAIRPERSON: I think this would be an
4 appropriate time to adjourn.

5 Thank you, gentlemen.

6 (Meeting was concluded at 2:30 p.m.)

7 * * * *

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I, Mona Storm, do hereby certify that I

recorded stenographically the proceedings had and
testimony taken in the meeting at the time and place
hereinbefore set forth. I do further certify that
foregoing transcript, consisting of (22) pages, is a
true and correct transcript of my said stenographic
notes.

Date

Mona Storm
CSR-4460

