

1 CITY OF FLINT
2 RECEIVERSHIP TRANSITION ADVISORY SPECIAL BOARD MEETING
3 FRIDAY, OCTOBER 20, 2017
4 2:00 P.M.

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6
7 Special Meeting before the RTAB Board at
8 Richard H. Austin Building, State Treasurer Board Room,
9 1st Floor, 430 W. Allegan Street, Lansing, Michigan, on
10 Friday, October 20, 2017.

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12 BOARD MEMBERS PRESENT:

13 Frederick Headen - The Chairperson
14 David Tarver (by phone)
15 Paul Newman (by phone)

16 FROM THE STATE:

17 Larry Steckelberg

18 OTHERS PRESENT:

19 R. Eric Cline

20 REPORTED BY: Mona Storm, CSR# 4460
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1 Lansing, Michigan
2 Friday, October 20, 2017
3 2:02 p.m..

4 THE CHAIRPERSON: Let the record reflect
5 that we do have a quorum consisting of myself here,
6 Mr. Newman and Mr. Tarver by conference call.
7 Without objection, I'll ask that Mr. Ferguson
8 receive an excused absence from this afternoon's
9 meeting.

10 I don't believe there are any additions to
11 the agenda, so we will consider the agenda to be
12 approved, as provided.

13 We have, at this special meeting, no
14 Unfinished Business.

15 We do have three items of New Business and
16 I'll call upon Mr. Cline to walk us through the
17 three resolutions before us.

18 Mr. Cline?

19 MR. CLINE: Yes. Can everybody hear me?

20 MR. TARVER: Yeah.

21 MR. NEWMAN: Yes.

22 MR. CLINE: All right. Resolution 523 is a
23 change order with Goyette Mechanical for waterline
24 replacement. They're going to add 300 additional
25 waterlines across the City. This is an additional

1 cost of \$1.32 million, which breaks down to about
2 \$4,400 per waterline.

3 Resolution 524.1 is a change order with
4 Zito Construction for right-of-way restoration,
5 again across those properties that are being added.
6 The additional funds are \$290,400.

7 Resolution 525.1 is with AFSCME Union 1600
8 and 1799 for the same right-of-way restoration work,
9 and the same amount of money of \$290,400. Again,
10 this is restoration work for additional waterline
11 replacement. So --

12 THE CHAIRPERSON: Is there a motion?

13 MR. TARVER: Hello.

14 THE CHAIRPERSON: Is there a motion --

15 MR. TARVER: Yes.

16 THE CHAIRPERSON: -- that Resolutions
17 523.1, 524.1 and 525.1 be approved?

18 MR. NEWMAN: Move approval.

19 THE CHAIRPERSON: Is there support?

20 MR. TARVER: Support.

21 THE CHAIRPERSON: Is there any discussion,
22 gentlemen?

23 MR. TARVER: Yes, I had a question about
24 the waterline replacement. It indicated that the
25 funds were coming from two grants. One had to do

1 with water infrastructure and the other one was for
2 a children's health insurance program.

3 MR. CLINE: Yes.

4 MR. TARVER: Am I correct?

5 MR. CLINE: I believe that's correct, yes.

6 MR. TARVER: And so I could understand the
7 water infrastructure one but repurposing the
8 children's health insurance fund, it seems a little
9 bit different from the intended use of the grant. I
10 was wondering what the implications of that would
11 be.

12 THE CHAIRPERSON: I think we have an answer
13 for you, Mr. Tarver.

14 Mr. Stuckelberg?

15 MR. STUCKELBERG: Larry Stuckelberg, for
16 the record.

17 Part of the overall lead line replacement
18 program in Flint includes leveraging the wind
19 funding out of the \$100 million plus expected
20 approximately \$20 million in CHIP funding.

21 For those homes which were identified as
22 CHIP eligible, the CHIP funding will fund the
23 replacement of the lead line but they also, through
24 CHIP funding, go into the homes to replace fixtures
25 and do more work in the house to mitigate lead lines,

1 all part of safe home creation for people who are
2 CHIP eligible.

3 MR. TARVER: So that -- those are not
4 monies that are paid from the children's health
5 insurance fund, then?

6 MR. STUCKELBERG: Well, to the extent that
7 the State, overall, through DHHS, has a strategy to
8 use those moneys as part of the lead line
9 replacement, that is a strategy they have in place
10 across all of lead line replacements and have had in
11 place since they began this project.

12 MR. TARVER: So I just want to be sure
13 we're not robbing Peter to pay Paul, that we don't
14 have uninsured kids in Flint as a result of doing
15 those waterline replacements.

16 MR. STUCKELBERG: No, I would think that,
17 especially in Flint, we're covering the water fund
18 to help needs through the available resources. I've
19 not heard anybody say we're shorting any other
20 funding requirement or need because of this.

21 MR. TARVER: Okay.

22 THE CHAIRPERSON: You made reference to
23 homes that are CHIP eligible.

24 MR. STUCKELBERG: Yes.

25 THE CHAIRPERSON: Does that mean homes, for

1 example, that children reside?

2 MR. STUCKELBERG: Children who are CHIP
3 eligible reside.

4 MR. TARVER: Okay.

5 MR. STUCKELBERG: Yeah. And so, in those
6 homes, they are providing a replacement for the lead
7 line, in order to stretch the available Federal
8 dollars, and they're going in and doing mitigation
9 inside of the home, which I believe includes lead
10 testing for paint and other things, too. I'm not
11 totally familiar with the CHIP funding.

12 All I want to say is just, overall as part
13 of this, the \$120 million that are being made
14 available for all of this mitigation, DHHS has
15 intended to spend about \$20 million on using of CHIP
16 funds to mitigate lead lines in Flint.

17 THE CHAIRPERSON: So State officials, then,
18 are aware of the proposed use of CHIP funds --

19 MR. STUCKELBERG: It is -- it is totally --

20 THE CHAIRPERSON: -- for this purpose and
21 have approved it?

22 MR. STUCKELBERG: It is all part of the
23 plan that's been in place for some time, including
24 last year's lead lane replacement, all replacement,
25 lead line replacement, to date in Flint has included

1 the concept that CHIP monies would be leveraged, when
2 possible, along with wind funding to mitigate the
3 lead exposure.

4 THE CHAIRPERSON: Thank you.

5 Mr. Tarver, any --

6 MR. TARVER: I just had a question about
7 what was motivating this change order at this time;
8 Why are we doing these additional lines at this
9 time?

10 MR. STUCKELBERG: It's my understanding
11 that the City has moved faster than they thought
12 they might with these contracts and they want to
13 leverage the ability to get even more lines replaced
14 in 2017, to try and move faster along the project.

15 And it's also my understanding that they
16 are hoping, next year, they're going to get out of
17 the gate faster and do more than the 6,000 next
18 year. They have an aggressive plan next year to
19 accelerate lead line replacement but they want to
20 use any good weather this year to do so.

21 MR. TARVER: I see. Okay. All set. Those
22 are my questions.

23 THE CHAIRPERSON: Mr. Newman, any
24 questions?

25 MR. NEWMAN: No, thank you.

1 THE CHAIRPERSON: Questions on adoption of
2 the motion?

3 Those in favor, please say "aye".

4 BOARD MEMBERS: Aye.

5 THE CHAIRPERSON: Opposed?

6 Motion is adopted.

7 There is no public comment.

8 Before we adjourn, let me indicate, as I'm
9 sure you know that, on Tuesday of this week, Federal
10 Judge Lawson issued an opinion and Order, in effect,
11 directing the City Council to make a decision on a
12 permanent water source for the City, and to do so by
13 next Monday, October 23rd. The Council, I believe,
14 will be meeting this afternoon at 2:30 to consider
15 that issue.

16 In the event that they make a decision,
17 either this afternoon or sometime between now and
18 Monday, there is a possibility that we will calendar
19 up a special RTAB meeting next week, possibly on
20 Tuesday, if a resolution comes to our attention that
21 is consistent with what Judge Lawson has ordered.

22 I believe the Great Lakes Water Authority
23 Board meets on Wednesday, the 25th. So there is a
24 possibility this issue might be resolved on a
25 permanent basis by the end of next Wednesday. If

1 there is no need for the RTAB to meet next week,
2 then we would simply cancel the meeting.

3 So I wanted to give you both, sort of in
4 anticipation of what might occur, depending upon
5 what the City Council chooses to do between now and
6 Monday.

7 MR. TARVER: So the next meeting date will
8 be Tuesday?

9 THE CHAIRPERSON: It would likely be
10 Tuesday afternoon.

11 MR. TARVER: Okay. All right.

12 MR. NEWMAN: Okay.

13 THE CHAIRPERSON: If there is no further
14 business to be conducted, I'll entertain a motion
15 that we adjourn.

16 MR. TARVER: So move.

17 MR. NEWMAN: Support.

18 THE CHAIRPERSON: Without objection, we
19 stand adjourned. Thank you both.

20 (Meeting was concluded at 2:11 p.m.)

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C E R T I F I C A T E

I, Mona Storm, do hereby certify that I have recorded stenographically the proceedings had and testimony taken in the meeting at the time and place hereinbefore set forth. I do further certify that the foregoing transcript, consisting of (11) pages, is a true and correct transcript of my said stenographic notes.

Date

Mona Storm
CSR-4460

