

1 CITY OF FLINT
2 RECEIVERSHIP TRANSITION ADVISORY BOARD MEETING
3 WEDNESDAY, FEBRUARY 8, 2017
4 2:00 P.M.

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

10

11 BOARD MEMBERS PRESENT:

12 Frederick Headen - The Chairperson
13 Michael Finney (telephonically)
14 Joel Ferguson (telephonically)
15 Michael Townsend

16

16 FROM THE CITY:

17 City Administrator, Sylvester Jones
18 Council President, Kerry Nelson
19 Councilmember, Scott Kincaid

20

20 OTHERS PRESENT:

21 R. Eric Cline
22 R.L. Mitchell
23 Mark White

24

24 REPORTED BY: Mona Storm, CSR# 4460

25

1	MOTION INDEX	
2	MOTION	PAGE
3	Roll Call	3
4	Approval of Agenda	3
5	Approval of 12-14-16 minutes	3
6	Approval of 1-19-17 minutes	4
7	UNFINISHED BUSINESS	
8	Resolution #547 from 12-12-16 Regular meeting, adopted	5
9		
10	NEW BUSINESS:	
11	Mayor and Council President, no comments	5
12	Approval of Resolutions & Ordinances for City Council Meetings	
13	1-9-17 Regular meeting, Resolutions # 160552.1, -.4,	
14	#02, #21	7
15	1-19-17 Special meeting, no resolutions	7
16	1-23-17 Regular meeting, Resolutions #23, -.1,	
17	#35-41, #53, #54.1, adopted	13
18	CITY ADMINISTRATOR ITEMS	13
19		
20	Budget to Actual - December 2016, tabled	14
21	PUBLIC COMMENT	14
22	ADJOURNMENT	17
23		
24		
25		

1 Flint, Michigan

2 Wednesday, February 8, 2017

3 2:02 p.m.

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

6 Let the record reflect that we do have a
7 quorum, Mr. Ferguson and Mr. Finney participating by
8 phone.

9 First item of business is the approval of the
10 agenda. Are there any additions to the agenda?

11 If not, the agenda will be considered
12 approved.

13 The next item of business is the approval of
14 RTAB meeting minutes. We'll begin with the meeting of
15 December 14th. That's Attachment 1. Are there any
16 corrections or additions to those minutes?

17 MR. FINNEY: Nothing for me.

18 THE CHAIRPERSON: If not, is there a motion
19 that the minutes from December 14th be approved?

20 MR. FINNEY: I would move approval.

21 THE CHAIRPERSON: Is there support?

22 Support. Those in favor, please say "aye".

23 BOARD MEMBERS: Aye.

24 THE CHAIRPERSON: Opposed?

25 December 14th minutes are approved.

1 Next would be the minutes of the Special
2 meeting of January 19th, they are Attachment 2. Are
3 there any corrections or additions to those minutes?

4 Hearing none, is there a motion that the
5 special meeting minutes from the RTAB meeting of
6 January 19th be approved?

7 MR. FERGUSON: So move.

8 MR. FINNEY: Support.

9 THE CHAIRPERSON: Those in favor, please say
10 "aye".

11 BOARD MEMBERS: Aye.

12 THE CHAIRPERSON: Opposed?

13 January 19th special meeting minutes are
14 approved.

15 Next item of business, under Unfinished
16 Business, we have a resolution of the City Council that
17 was adopted on the regular meeting on December 12th.

18 We held that particular resolution in
19 abeyance because there were certain tangential issues
20 related to the resolution, I believe, that have now
21 been addressed. That resolution, among other things,
22 authorized payment to outside counsel retained by the
23 City Council with respect to an issue that existed last
24 fall between the City Council and the Mayor. That
25 resolution is in your packet as Attachment 3.

1 (Mr. Townsend joined the meeting.)

2 THE CHAIRPERSON: Are there any questions or
3 comments regarding that resolution?

4 MR. FINNEY: I would move approval.

5 THE CHAIRPERSON: Is there support?

6 MR. TOWNSEND: Support.

7 THE CHAIRPERSON: Motion's made and seconded.
8 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 We will move on to new business. And let the
15 record reflect that Mr. Townsend has joined us at the
16 meeting.

17 Mr. Branch, any comments on behalf of the
18 Mayor, either you or Mr. Jones?

19 MR. JONES: No comments at this time.

20 THE CHAIRPERSON: Council President Nelson,
21 any comments?

22 MR. NELSON: No, no comments at this time.

23 THE CHAIRPERSON: We will move on to the
24 Approval of Resolutions and Ordinances from the City
25 Council meetings. We'll begin with the City Council

1 meeting of January 9th.

2 Mr. Cline, would you summarize for us the
3 resolutions in front of us?

4 MR. CLINE: Yes. Good afternoon. Some of
5 the resolutions were addressed at the last RTAB
6 meeting. But the ones still remain outstanding,
7 Resolution 552.4, which was a public hearing held on
8 the establishment of a commercial rehabilitation
9 district.

10 Resolution 552.1 actually created the
11 Commercial Rehabilitation District at the address of
12 615 South Saginaw.

13 Resolution 021 was to accept reimbursement
14 from the State of Michigan in the amount of \$30,000.

15 And Resolution 002 was a budget amendment
16 regarding that specific \$30,000, to account for that in
17 the budget.

18 Those are the outstanding resolutions that
19 need to be addressed for this meeting.

20 THE CHAIRPERSON: Is there a motion that
21 those resolutions from the January 9th City Council
22 meeting be approved?

23 MR. TOWNSEND: Motion to approve.

24 THE CHAIRPERSON: Is there a second?

25 MR. FERGUSON: Support.

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

3 If not, those in favor of the motion, please
4 say "aye".

5 BOARD MEMBERS: Aye.

6 THE CHAIRPERSON: Opposed?

7 Motion is adopted.

8 We have under Attachment 5 Resolutions from
9 the special City Council meeting of January 19th.

10 Mr. Cline, I believe there were none.

11 MR. CLINE: Yes. This meeting actually was
12 more of an informational meeting for the City Council.
13 They took no actual action so there are no resolutions
14 to consider for this meeting.

15 THE CHAIRPERSON: And so, while we have you
16 at the microphone, can you summarize for us Resolutions
17 from the regular City Council meeting of January 23rd?

18 MR. CLINE: Of course. We have Resolution
19 023.1, which is a budget amendment for quarterly budget
20 updates to all the entire city budget, leaving multiple
21 funds, primarily the general fund and maybe street
22 fund.

23 And Resolution 036, which is to adopt City
24 Council budget priorities.

25 You have Resolution 037, which is a budget

1 amendment to account for the \$35,000 addressed under
2 Resolution 547, that the board just -- just took care
3 of under Unfinished Business.

4 You have 038, which is a budget amendment for
5 the amount of \$215,000 from Consumers Energy as a
6 rebate back to the City.

7 You have Resolution 039, which is a change
8 order in the contract with Standard Insurance, who is
9 the City's third-party administrator for employee life
10 insurance, in the amount of \$41,000.

11 You have a change order -- Resolution 041 is
12 a change order with Cintas, which provides uniforms and
13 rugs and various related equipment to the City. This
14 change order is in the amount of \$3,500.

15 Resolution 053, which is to accept \$31,000 in
16 grant funds, which will be allocated towards a grant
17 writer position for the Flint Police Department. That
18 agreement is with KCB Resources, LLC.

19 Resolution 054.1, which is an amendment to a
20 personal service agreement, to extend the contract of
21 the Interim Chief Financial Officer until June 30th of
22 this year.

23 You have Resolution 035, which is to adopt
24 the City Council's strategic plan.

25 And, finally, Resolution 040, which is a

1 change order with Boyd's Lawn for a park and
2 right-of-way mowing in the amount of \$115,000.

3 THE CHAIRPERSON: Is there a motion that
4 resolutions from the regular City Council meeting of
5 January 23rd be approved?

6 MR. FERGUSON: So move.

7 THE CHAIRPERSON: Is there support?

8 MR. FINNEY: Support.

9 THE CHAIRPERSON: Any questions or discussion
10 concerning a resolution?

11 MR. FINNEY: Yeah, this is Mike.

12 Resolution Number 038, what was the amount of
13 that one again? For some reason, I thought I heard a
14 number of around \$600,000 and I just want clarification
15 on the amount.

16 THE CHAIRPERSON: Mr. Cline?

17 MR. CLINE: I have that noted at \$215,000.

18 MR. FINNEY: Okay. Thank you. Yeah, I
19 thought -- for some reason, I thought I heard you say
20 615,000.

21 MR. CLINE: No, 215-.

22 MR. FINNEY: Okay. Great. Thank you.

23 THE CHAIRPERSON: Other questions?

24 MR. TOWNSEND: I just have a question in
25 reference to 036, and I guess it's tied to the Finance

1 Director, the PSA for the Finance Director. Were
2 there -- this might be toward Administration.

3 Were there adjustments made into the account
4 in Finance to compensate for the salary?

5 THE CHAIRPERSON: Mr. Jones or Mr. Branch?

6 MR. JONES: This is 036?

7 MR. TOWNSEND: 036 did some budget
8 adjustments.

9 MR. JONES: Right.

10 MR. TOWNSEND: Is that correct?

11 MR. JONES: Correct.

12 MR. TOWNSEND: But the PSA for the Finance
13 Director extension, I know that his salary originally
14 in there was -- there was an adjustment made earlier in
15 the year to -- because of the salary being at a higher
16 rate and he wasn't getting benefits. And, as opposed
17 to the Deputy Finance Director, at that time, when she
18 said there was enough money put in there to cover until
19 February.

20 And so now that we're extending that until
21 June, I wanted to make sure that there was additional
22 funds that were set inside, in that other budget
23 adjustment, to compensate for his salary for the rest
24 of -- until June.

25 MR. JONES: Yeah. So I need to follow up on

1 that and I'll get back to you related to that because
2 I'm not sure -- I believe that the budget adjustment
3 was made but I don't want to speak out of turn before I
4 confirm that.

5 THE CHAIRPERSON: Can anyone from the City
6 Council address that issue?

7 MR. KINCAID: I'm sorry?

8 THE CHAIRPERSON: I was wondering if anyone
9 from the City Council could address that issue.

10 MR. KINCAID: Your question was, Mike, on the
11 funding?

12 MR. TOWNSEND: Yeah.

13 MR. KINCAID: Did it change?

14 MR. TOWNSEND: Well, originally, in -- on
15 054, with the PSA that we did there, when we originally
16 signed that original agreement with him --

17 MR. KINCAID: Right.

18 MR. TOWNSEND: -- the salary was at a higher
19 rate than it was budgeted and so --

20 MR. KINCAID: That is correct.

21 MR. TOWNSEND: And so there was an adjustment
22 made to the fringe benefit fund to make sure that there
23 was enough to cover them.

24 MR. KINCAID: Yes.

25 MR. TOWNSEND: And I asked the question to --

1 still, at the time, was there sufficient funds to cover
2 it and through February and she said yes.

3 MR. KINCAID: Yes.

4 MR. TOWNSEND: So now that they extended it
5 through June --

6 MR. KINCAID: Yes.

7 MR. TOWNSEND: -- I wanted to make sure that
8 it was in the budget adjustment.

9 MR. KINCAID: There was a budget adjustment
10 to cover it and we made sure that the salary stayed the
11 same and that there is funding in that account to cover
12 his wages or -- or to cover the professional service
13 contract from January until June.

14 MR. TOWNSEND: To June?

15 MR. KINCAID: Yes.

16 MR. TOWNSEND: Okay. That's what I wanted to
17 know.

18 MR. KINCAID: That was absolutely in the
19 budget.

20 MR. TOWNSEND: And that was done in the --
21 that --

22 MR. KINCAID: It was done as we did the
23 professional service contract, if I recall.

24 MR. TOWNSEND: Okay.

25 MR. JONES: But there also was money in the

1 budget, initially, for a full-time person with salary
2 and fringe benefits.

3 MR. KINCAID: For the full year.

4 MR. JONES: For the full year.

5 MR. TOWNSEND: I recognize that. But the
6 salary that we see was more than what was budgeted.

7 MR. KINCAID: That's correct. And we offset
8 that through the fringe benefit fund.

9 MR. TOWNSEND: Okay.

10 MR. KINCAID: The original one.

11 MR. TOWNSEND: Okay. All right.

12 MR. KINCAID: Right. I can assure you that
13 we didn't approve a professional service contract
14 without the funding being in place.

15 MR. TOWNSEND: Okay. Thanks.

16 THE CHAIRPERSON: Motion's been made and
17 seconded. Are there any further questions?

18 MR. FERGUSON: Support -- I mean --

19 THE CHAIRPERSON: Those in favor of the
20 motion, please say "aye".

21 BOARD MEMBERS: Aye.

22 THE CHAIRPERSON: Opposed?

23 Motion is adopted.

24 Next item of business is City Administrator
25 Items.

1 Mr. Jones, budget to actual?

2 MR. JONES: Yeah. David Sabuda was actually
3 supposed to be here to address this item and so I'm
4 going to request that, if we can table this until the
5 next RTAB meeting, and then we'll be able to have him
6 here to cover the budget to actual on this report.

7 THE CHAIRPERSON: Without objection?

8 Thank you.

9 MR. JONES: Thank you.

10 THE CHAIRPERSON: Public comment?

11 Mr. Cline is -- wait for just a second,
12 please.

13 I'm sorry. My apologies. Two individuals
14 signed up for public comment. We'll start with
15 Mr. R.L. Mitchell.

16 MR. MITCHELL: Good evening. Mr. Frederick,
17 welcome back to Flint. We appreciate everything you've
18 done for us and, just like just because David's not
19 here, we -- we'll go along with -- we appreciate what
20 you've done so far for the City of Flint. That's all
21 I'm going to say.

22 THE CHAIRPERSON: Thank you.

23 MR. CLINE: All right. Second individual
24 Mark White.

25 MR. WHITE: I'm Mark White. I love to be

1 announced. I was a City employee, I'm a City retiree.
2 I was buried 15 feet down and rather than going on
3 Disability, I took a regular pension retirement. My
4 whole life revolved about being a good soldier for the
5 City of Flint Water Department, including turning off
6 some Councilmen's water for nonpayment.

7 I did everything I could for my City. I
8 loved it until I was forced out of the City due to
9 burglaries and crime, my wife not wanting to stay at
10 home. I want you to save my pension. The RTAB board
11 is the only one that can do it. They always move too
12 late to do so, like in Lincoln Park. There's actions
13 the RTAB board can do now to save my pension. If they
14 don't do it this year, the pension is going to be
15 terminally under-funded and that is a fact. Just read
16 your Lincoln Park --

17 The City of Flint has no business in
18 enterprises. Let me give an example. I'm not far from
19 the biogas plant. I read their Parks request. They're
20 unique to the world, turbine parks, et cetera. And we
21 can see by the world economy that things change in
22 energy. We have no business being a partner in that.
23 We revised it. It's a lot of people in the
24 neighborhood don't like it either.

25 We have a hospital that some City Councilman

1 like to call the City Hospital. On more than one
2 occasion, in different venues, that City hospital has
3 told the City of Flint it's not going to tell it what
4 to do. We put the investment money in that. My wife
5 was an accountant -- that's an enterprise, that
6 hospital.

7 My wife was an accountant and she -- not to
8 point any fingers at any one hospital but she says the
9 hardest place to track down lost revenue for a
10 governmental is a hospital. She worked in governmental
11 auditing, schools, governments, et cetera. She's sat
12 for the CPA many times. She's one of the old-school
13 accountants. And the bottom line is there could be
14 revenue coming in from that hospital and we set up a
15 partnership with that hospital and they have revenue
16 hidden in that hospital because it has asbestos in it.

17 THE CHAIRPERSON: Mr. White, thank you.

18 Any further?

19 MR. CLINE: No, sir.

20 THE CHAIRPERSON: There is no further
21 business before this Board this afternoon. Therefore,
22 is there a motion that we adjourn?

23 MR. FERGUSON: So move.

24 THE CHAIRPERSON: Is there support?

25 MR. FINNEY: Support.

1 THE CHAIRPERSON: Without objection, we have
2 adjourned.

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

4 * * * *

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

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, and I do further certify that the foregoing transcript, consisting of (18) pages, is a true and correct transcript of my said stenographic notes.

Date

Mona Storm
CSR-4460

