

City of Lincoln Park
Receivership Transition Advisory Board Meeting Minutes
Tuesday, October 18th, 2016
Lincoln Park City Hall
Council Chambers
1355 Southfield Road
Lincoln Park, Michigan 48146

RTAB MEMBERS PRESENT:

**KEVIN BONDS
JESSICA THOMAS
GENELLE ALLEN
BRENDEN DUNLEAVY**

ALSO PRESENT:

**DREW VAN de GRIFT
Michigan Department of Treasury**

Reported by:

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Called to order at 1:00 P.m.

Tuesday, October 18, 2016

MR. BONDS: Okay, we'll call this meeting to order, and we'll start with roll call.

MR. VAN de GRIFT: Genelle Allen.

MS. ALLEN: Here.

MR. VAN de GRIFT: Kevin Bonds.

MR. BONDS: Here.

MR. VAN de GRIFT: Brenden Dunleavy.

(No response)

MR. VAN de GRIFT: Absent. Jessica Thomas.

MS. THOMAS: Here.

MR. VAN de GRIFT: John Zech, absent and excused. Quorum is present.

MR. BONDS: Okay. Now, the chair will entertain a motion to approve the agenda.

MS. THOMAS: I'd like to make an amendment to the agenda, a motion to amend the agenda,

MR. BONDS: All right.

MS. THOMAS: I'd like to add Resolution 324, which is a budget amendment, under the new business section. And also, appointment of the acting fire chief to Item 11, under the city manager appointments.

MR. BONDS: Okay, motion has been made to amend the agenda to include two items, which is Resolution 324,

1 and the appointment of the acting fire chief. Is there a
2 second to that motion?

3 MS. ALLEN: Second.

4 MR. BONDS: Any further discussion?

5 (No response)

6 MR. BONDS: Hearing none, all those in favor,
7 signify by stating aye. Aye.

8 MS. THOMAS: Aye.

9 MS. ALLEN: Aye.

10 MR. BONDS: Hearing none, motion passes.

11 Okay, next item is the approval of the RTAB
12 minutes, from the regular meeting of September 20th,
13 2016, which is Attachment 1 in your packets. Chair will
14 entertain a motion to approve the September 20th, 2016,
15 RTAB minutes as presented.

16 MS. ALLEN: So moved.

17 MS. THOMAS: Support.

18 MR. BONDS: It's been properly moved and
19 supported; any further discussion?

20 (No response)

21 MR. BONDS: Hearing none, all those in favor
22 signify by stating aye. Aye.

23 MS. THOMAS: Aye.

24 MS. ALLEN: Aye.

25 MR. BONDS: Hearing no opposed, motion passed.

1 Item -- old business, we have none.

2 New business, which will be the approval of
3 resolutions and ordinances for the city council meeting.
4 We're going to go ahead and start off with the first one,
5 which is the one that was just placed at your desk,
6 Resolution 324, which is the budget amendment. And Mr.
7 Coppler, do you want to walk us through this amendment,
8 please?

9 MR. COPPLER: The one just added?

10 MR. BONDS: The one we just added, yes, sir.

11 MR. COPPLER: So, as I think you are aware, some
12 time ago, the ice rink, or, it was called the Lincoln Park
13 Community Center --

14 MR. BONDS: Yes.

15 MR. COPPLER:-- was turned back over. The lessee
16 was, decided that, you know, they had lost their major
17 tenant for the ice time, that he would no longer be able
18 to make a go of it, so, it was turned back over to the
19 city.

20 Council's been talking over the last couple
21 months; what exactly they wanted to do with this, whether
22 to keep it open, mothball it, or turn it into a multi-
23 purpose type facility.

24 Long story short, they're looking at it from the
25 perspective, turning it into a multi-purpose facility, but

1 they do want to keep the ice rink a viable asset for the
2 community. And so, we had a meeting on the 10th, to go
3 over the details of what this is going to look like,
4 because obviously we have to appropriate money to be able
5 to spend money.

6 And all the analysis show that, at least to this
7 point, it is not going to fund itself. We're still
8 optimistic, we're still out there trying to sell more ice
9 time. And actually, there's been some bad luck in some of
10 the other ice rinks, so that may be good luck for us,
11 going down the road. But to make sure that we can cover the
12 costs of operation, we do have to appropriate money from
13 general fund to balance it off. So what this amendment
14 does, effectively, is funds the operations until the end
15 of January. And the real ice time is from the end of
16 October to the end of March, that's what we're looking,
17 regarding the ice.

18 I wanted to do the seven month, because it would
19 give council the ability in December to renew all the
20 operations, see where we're going, in terms of the sale of
21 the ice. We're also working with a potential partner that
22 is looking for space for programming, that would come in
23 once the ice is off, so starting in April.

24 We feel that we would have a pretty good grasp
25 by December, whether we're going to be able to get that

1 accomplished or not. So it keeps the appropriation from
2 the general fund to a minimum. Gives council the ability
3 to make a final decision in January, if it's not meeting
4 what we expect it to.

5 Where, you know, it's performing, worse than
6 expectations, we can then turn it off and mothball it
7 until another time. So the money coming from the general
8 fund on this is coming from two different areas.

9 First off, we've paid our bill for the liability
10 and worker's comp, has come in -- came in significantly
11 under what our budget was. So that avails us extra money
12 within the general fund, which we'll use towards this.

13 The second part is that we are transferring
14 money that was going into the capital fund for building
15 improvements, facility improvements. We had in the
16 budget, \$75,000 appropriated; we're taking \$15,000 from
17 that. Adding into the money that we saved from the
18 liability worker's comp, and, so that'll be the support of
19 the general fund towards this. The rest of the revenues
20 are what we believe to be pretty safe dollar amounts,
21 coming from the operation of the ice rink.

22 MR. BONDS: I need to ask a question on this,
23 and then I'll open it up to the floor. With the savings
24 that you've identified, from the liability and worker's
25 compensation's insurance policy, is that a one time

1 savings, or is that a -- based on this year's budget, and
2 it's ongoing?

3 MR. COPPLER: Yes, it's just this year. So the
4 premiums for just for fiscal year '16-'17.

5 MR. BONDS: Okay.

6 MR. COPPLER: And so there's, you know, an equal
7 chance that if things go bad for us this year, that the
8 premiums next year will be what we budgeted for this year.

9 MR. BONDS: Okay.

10 MR. COPPLER: And so, I think, to get those --
11 let me get the estimates for that. Prior to the budget,
12 or --

13 MS. GRIGGS: The liability we don't; worker's
14 comp, it's pretty close.

15 MR. COPPLER: So, again, this year is a one
16 time. It's something that we definitely would look at
17 next year, and say that we're going to have savings there.

18 MR. BONDS: I guess the only, the biggest
19 concern that I have -- I mean, I trust the judgment that
20 you're making with this transaction, but again, from an
21 RTAB perspective, my concern is this. You know, the
22 previous meeting, we heard from the judge that there is
23 going to be a need for a new court facility.

24 We also heard that there is a need for the
25 police and fire, because of the current situation at their

1 facility, needs to be updated. And how prudent is this,
2 to even maintain this to January? When we know that we've
3 got those major operations that are both revenue
4 producing, public safety, et cetera?

5 I mean, I'm questioning the priority of why are
6 we even entertaining this at this stage of the game? How
7 important is this to the city?

8 MR. COPPLER: Well, I think, from the mayor and
9 council perspective, they view the community center as one
10 of those services that is made available to the public.
11 People don't necessarily think of the police and fire as
12 something that is provided for them, you know, they
13 understand and accept that that is a service that is
14 provided by the city. But they do not necessarily be
15 getting the benefit, although they are getting the
16 benefit, by having them there.

17 Whereas, having, you know, the community center
18 available for residents to participate in that programming
19 there, it's a service that they can directly have a piece
20 in. So I think it really goes back to the community
21 development part of what we do, as a city.

22 Recreation is an important quality of life issue
23 that we're trying to get things back to the way, at least,
24 the way residents perceive government in their life here
25 within the City of Lincoln Park.

1 MR. BONDS: And, what is the anticipated
2 participation rate for the facility between now and
3 January?

4 MR. COPPLER: So that's, you know, when -- so I
5 think that, you know, we're looking at the ice time, which
6 is really the big driver of the revenues from this. That
7 between different uses for hockey, that people could come
8 and practice time.

9 The tournaments that have historically been a
10 part here, which brings people into the community, that
11 may not otherwise come into the community. The ice
12 skating, open ice skating, and the learn to skate and the
13 learn to play hockey programs, you know, it's going to
14 generate a significant number of local and city residents
15 to come in there.

16 I think that's, you know, one of the issues that
17 really needs to be explored down the road, and why the
18 multi-purpose concept is a better one than the hockey, I
19 think. You know, I've had a crash course here in the
20 downriver hockey programs, and this -- those that are,
21 that play hockey, the Lincoln Park hockey program,
22 actually goes to Taylor for their ice time. They don't
23 practice here in the City of Lincoln Park.

24 And the big driver for revenue over the last few
25 years was the Allen Park hockey association, who now go

1 back to Allen Park. And I think there has been a
2 reduction in people or kids playing hockey.

3 And my perspective, again going back to how do
4 we make this an asset for the residents of the city? You
5 know, I don't know if hockey is, or the ice skating is, is
6 the way that we get new people to participate.

7 MR. BONDS: Okay, I think you answered my
8 question, it's speculative at this point.

9 MR. COPPLER: Yeah.

10 MR. BONDS: I'm going to open it up to the other
11 board members.

12 MS. THOMAS: I have a question with regard to
13 projections on participation, as well. In part, what are
14 the trends? What was it, let's say, the past two years?
15 Because this is heavily driven by participation. And back
16 to what Kevin mentioned there, the long term
17 sustainability or even the short term sustainability, is
18 truly contingent upon these participation rates.

19 What has it been in the past, let's say two
20 years, is it declining? And what part of this plan, you
21 know, is there a plan, to reach out to everyone else. It
22 has to be a crucial piece of it, in my mind, so what is
23 the plan? And also, what were the trends in the past, as
24 related to participation?

25 MR. COPPLER: So because this facility was

1 leased out, the city didn't really have any true
2 connection to have that type of information provided to
3 us. And you know, quite honestly, as, looking over the
4 documents that were provided to me from the person that
5 was operating this in the past, the information was
6 contradictory.

7 You know, as an auditor, you'd have been
8 laughing at this. Or shaking your head, and pounding on a
9 desk like I was. So I -- we really don't have a good
10 understanding. And my gut told me this, that because the
11 main ice time was being bought by the Allen Park Hockey
12 Association, that tells me that there wasn't a lot of
13 Lincoln Park residents being a part of that ice rink.

14 And quite honestly, it's something I've said to
15 different council members is, that, why are we going to
16 spend, why should we spend, city tax dollars to operate a
17 facility that's being used by non-city residents. It
18 doesn't make any sense.

19 And so I think that goes back to the global, or
20 the regional trend, that hockey is not being played at the
21 same rate as what it was ten years ago. There are fewer,
22 fewer kids are getting into the sport. And so that would
23 tell us that we need to look at this a lot differently and
24 why I think council is supportive of the concept of a
25 multi-purpose facility.

1 It provides time for us, you know, over the next
2 few months, to explore that relationship, possibly, a
3 partner with downriver, that provides alternate
4 programming that's in need of space. That, you know,
5 could lead to this all being irrelevant next year because
6 we'll have another agreement with someone else to actually
7 operate it as a multi-purpose facility.

8 So really what this does, is meets a -- what the
9 public was saying, during the meetings with council, that
10 they wanted to keep the ice rink open. You know, this
11 balances the ability to do that; it gives the opportunity
12 for those people that say that the ice is important to
13 purchase the ice, and prove us wrong.

14 But again, I can't stand here and say, yeah,
15 we're going to generate enough money to cover the costs.
16 I mean, that would be totally a bad thing for me to do.
17 And so we need to have money from the general fund, to be
18 there.

19 Again, this gives us the ability to shut off the
20 spigot, if it -- if it's going to be a burdensome thing to
21 the city. But I think, you know, we have to look at next
22 year, not through the lens of what we're doing today, but
23 what it should be. And how do we get more participation
24 from residents.

25 MR. BONDS: Mr. Coppler, one more question on

1 this, and again, I'm just -- it's a question and a
2 statement. Or actually, a statement and a question.

3 Because the RTAB is designed to be reactive to
4 the city, and we're not trying to prohibit the city, and
5 I've seen the memo. We do want to create the flexibility
6 of both the mayor and the city council, to be able to
7 terminate these operations after four months.

8 But my question to you is, if we do not take
9 action on this at this stage of the game, and possibly
10 table it for another month, what implications does that
11 create for you?

12 MR. COPPLER: We'll have to close it.

13 MR. BONDS: Okay.

14 MR. COPPLER: We'll lose every ability to sell
15 the ice time.

16 MR. BONDS: Okay.

17 MR. COPPLER: I mean, right now is -- we are
18 working to get people to buy the ice; if we can't open it
19 now, we're not going to have anybody, so we'll be closed.

20 MR. BONDS: Okay. All right. That answers the
21 question.

22 MS. THOMAS: I have a question as well. Is
23 there any way that you can get ahold of more reliable
24 data, greater information? What I tend to see sometimes
25 is that we make decisions and then we reflect back, and I

1 think this is an opportunity for us to say, okay, let's
2 take a pause, how can we get some reliable data so that we
3 can actually plan for this?

4 I mean, I -- if there was an opportunity to --
5 if you walk in, and said, you know, we've secured time
6 with -- ice time, for Allen Park or these three groups, I
7 think that we would have a different conversation right
8 now. But given that we don't have some of that
9 information, it makes it quite difficult to make a sound
10 decision, I would say, as it relates to this.

11 Is there any opportunity for that type of data,
12 or information, to be obtained on the planning side? What
13 steps have been taken for the planning? Not so much of
14 the intent, but?

15 MR. COPPLER: We could put together, very
16 quickly for you, information that shows what, if you
17 authorize this budget amendment, what ice time would be
18 purchased. I mean, we have those in hand, and there's a
19 number of tournaments; I want to say there's four
20 tournaments, and each tournament's going to generate about
21 seven to eight thousand dollars per weekend for the city,
22 in doing that.

23 The ice time, off the top of my head I can't
24 tell you, because, again, I'm looking at it from maybe a
25 little bit different perspective, as I know that there is

1 potential revenue out there, and this is probably a
2 reasonable expectation that we put in there for the ice
3 time.

4 I think that it is 61,000. Ice rentals,
5 actually we have 46 (sic), but you know, in doing the look
6 at what could be sold if we -- RTAB ultimately approves
7 it, we're going to be in that \$40 to \$60,000 mark. Like I
8 said, we just, you know, I was talking to someone earlier
9 today about another ice arena having some issues that may
10 allow people to look to the city for ice time as well.

11 But you know, the problem is that you know,
12 there isn't one group out there that's going to come in
13 like Allen Park did, and buy up you know, 200,000 -- or
14 excuse me, \$110,000 or whatever it was, dollars' worth of
15 ice time.

16 You know, we're picking it up as things happen.
17 You know, there's women's -- a Sunday women's league
18 that's waiting to know if we're going to be open or not.
19 If we're open, they're coming.

20 MR. BONDS: So basically, we will have one more
21 opportunity to entertain this. Because the sunset date is
22 January 31st, which means that this 87-8 will fund you
23 from this point to that point. You'll have to come back
24 for another decision point.

25 MR. COPPLER: Yep. Yes.

1 MR. BONDS: Okay.

2 MR. COPPLER: And then again, that's, you know,
3 it's intentional, because I want to make sure that we're
4 doing what we say we're going to do. Because this is
5 something that could bleed the city very quickly.

6 MR. BONDS: Mr. Dunleavy?

7 MR. DUNLEAVY: Just, since my son played hockey
8 for more years than I like to admit, and he also -- were
9 in more hockey rinks than I'd also like to admit. How's
10 your price on your ice time? I mean, we went to some
11 really bad arenas because the ice time was cheaper; are
12 you any more competitive in that direction?

13 MR. COPPLER: We're going for an hour at \$225.

14 MR. DUNLEAVY: How does that compare to
15 surrounding areas?

16 MR. COPPLER: I would say that's probably a
17 little bit lower than what some of the other arenas are.

18 MR. DUNLEAVY: And do you have a hockey league
19 that plays out of there?

20 MR. COPPLER: It's -- what kind of led us to
21 this is the Allen Park Hockey Association, which was the
22 prime purchaser of the ice. They decided to go back to
23 Allen Park and that's what started the dominoes falling,
24 to get back into our hands.

25 MR. DUNLEAVY: And, will you start a league, or?

1 MR. COPPLER: Again, right now, what we've been
2 trying to book are -- because ice time in other arenas are
3 getting to be kind of cramped, we're picking up people
4 that wanted to have extra practice but they couldn't book
5 it at other arenas.

6 Actually I think there's -- if I'm not mistaken,
7 I think Allen Park has actually reached out to us to see
8 if they can get some extra time from us. There's not
9 going to be one big purchaser of ice time. It's going to
10 be a lot of different groups.

11 MR. DUNLEAVY: When I was -- from Plymouth.
12 Plymouth has a hockey association, we wound up buying ice
13 time from Inkster, we bought it from Canton, we bought it
14 from everywhere just because of all the times available.
15 And nobody wants to practice at six in the morning, nobody
16 wants to practice, you know, real late at night, so.

17 MR. COPPLER: And that's actually, I guess, the
18 benefit -- we're not going to get the guaranteed revenue
19 that we'd get from one big block -- a purchaser. But
20 because we have more flexibility now than other rinks,
21 we're seeing people trying to get that practice time here.

22 MR. BONDS: Any further questions?

23 (No response)

24 MR. BONDS: The chair will entertain a motion to
25 approve, deny, or postpone Resolution 324, which is the

1 amendment for the operations of the Lincoln Park Community
2 Center.

3 MR. DUNLEAVY: Motion to approve.

4 MR. BONDS: Motion to approve; is there a
5 second?

6 MS. ALLEN: Support.

7 MR. BONDS: And supported. Any further
8 discussion?

9 (No response)

10 MR. BONDS: All those in favor, signify by
11 stating aye. Aye.

12 MR. DUNLEAVY: Aye.

13 MS. ALLEN: Aye.

14 MS. THOMAS: Aye.

15 MR. BONDS: Hearing no opposed, motion passed.
16 Thank you.

17 Moving on, we're at resolution number, item
18 number one, which is resolutions from the city council
19 meeting of September 6th, 2016, which is Attachment 2 in
20 your packet.

21 Chair will entertain a motion to approve the
22 resolutions from the September 6th, 2016, regular city
23 council meeting, with the exception of Resolution 2016-
24 278, which is the accounts and claims payable.

25 MS. ALLEN: Move approval.

1 MR. BONDS: Been properly moved; is there a
2 second?

3 MR. DUNLEAVY: Support.

4 MR. BONDS: And second. Any further discussion?
5 (No response)

6 MR. BONDS: All those in favor, signify by
7 stating aye. Aye.

8 MR. DUNLEAVY: Aye.

9 MS. ALLEN: Aye.

10 MS. THOMAS: Aye.

11 MR. BONDS: Hearing no opposed, motion passes.

12 We are now to Resolution 2016-278, which is the
13 accounts and claims payable, which is Attachment 2A.
14 Again, these are amounts \$25,000 or greater. Chair will
15 entertain a motion to approve, deny, or postpone
16 Resolution 2016-278, which is the accounts, claims and
17 payables.

18 MS. THOMAS: So moved.

19 MR. BONDS: So moved, is there a second?

20 MR. DUNLEAVY: Second.

21 MR. BONDS: And second. Any further discussion?
22 (No response)

23 MR. BONDS: Hearing none, all those in favor,
24 signify by stating aye. Aye.

25 MR. DUNLEAVY: Aye.

1 MS. ALLEN: Aye.

2 MS. THOMAS: Aye.

3 MR. BONDS: Hearing no opposed, motion passed.

4 Resolutions from the special city council meeting of
5 September 12th, 2016, which is Attachment 3 in your packs.
6 Chair -- excuse me, there was no substance of action taken
7 at this meeting by the city council, so there is no board
8 action necessary today. So we'll move on to resolutions
9 from the regular city council meeting of September 19th,
10 2016; it is Item 4.

11 Chair will entertain a motion to approve all
12 resolutions from the September 19th, 2016, regular city
13 council meeting, with the exception of Resolution 2016-
14 294, which is the accounts and claims payable.

15 MR. VAN de GRIFF: Pardon me, Chair, do you wish
16 to omit Resolution 291 as well?

17 MR. BONDS: Did I go past that? Where is that
18 at?

19 MR. VAN de GRIFF: It might have -- one of 291
20 and 294.

21 MR. BONDS: I'm not seeing that.

22 Oh, I'm sorry. It's right here. Okay, I stand
23 corrected. Let me restate that for the record. Chair
24 will entertain a motion to approve all resolutions from
25 the 20 -- from the September 19, 2016, regular city

1 council meeting, with the exception of Resolutions 2016-
2 294 and Drew, I don't see 291. Where do you see the 291?

3 MS. THOMAS: On this one.

4 MR. BONDS: Yeah, I must not have a corrected --
5 bear with me. I don't have that, sorry. Forgive me. The
6 2016-291, we'll do -- the award bid of the garage bid
7 demolitions. Resolution 2016-291, Mr. Coppler, please
8 give us a summary of this item for the board.

9 Thank you.

10 MR. COPPLER: So as part of our program through
11 the dangerous building board, there were four garages that
12 came up that needed to be demolished. And we put them out
13 to bid, and the company, Blue Star Inc., gave us the best
14 bid, not to exceed \$15,800.

15 MR. BONDS: Okay, any questions from the board
16 members?

17 (No response)

18 MR. BONDS: Hearing none, chair will entertain a
19 motion to approve or deny Resolution 2016-291, which is to
20 award the bid for garage demolitions.

21 MR. DUNLEAVY: Motion to approve.

22 MR. BONDS: Motion made to approve; is there a
23 second?

24 MS. THOMAS: Support.

25 MR. BONDS: And support. Any further

1 discussion?

2 (No response)

3 MR. BONDS: Hearing none, all those in favor,
4 signify by stating aye. Aye.

5 MR. DUNLEAVY: Aye.

6 MS. ALLEN: Aye.

7 MS. THOMAS: Aye.

8 MR. BONDS: Hearing no opposed, motion passes.
9 Resolution 2016-294, that's just the one I've been stuck
10 on. Accounts and claims payable, which is Attachment 4B
11 in your packet. Chair will entertain a motion to approve,
12 deny, or postpone Resolution 2016-294, accounts and claims
13 payable over \$25,000.

14 MS. THOMAS: So moved.

15 MR. DUNLEAVY: Second.

16 MR. BONDS: Moved, properly moved and second;
17 any further discussion?

18 (No response)

19 MR. BONDS: Hearing none, all those in favor,
20 signify by stating aye. Aye.

21 MR. DUNLEAVY: Aye.

22 MS. ALLEN: Aye.

23 MS. THOMAS: Aye.

24 MR. BONDS: Hearing no opposed, motion passed.

25 Next item are the city manager's items, which

1 are Attachment 5, for the board members. Items one
2 through seven and items nine -- while action on these
3 items occurred during a council meeting outside the normal
4 review period for today's board meeting, the city manager
5 is requesting to bring them forward early.

6 All of these items have been approved by the
7 city council at their October 3rd, 2016, council meeting.

8 First item is the approval of Resolution 2016-
9 289A, which is amending Chapter 1488, Inspections of
10 Residential Dwellings Prior to Sale or Transfer,
11 Attachment 5A in your packets.

12 Actually, we can actually -- we can move these
13 as a group instead of going through, unless there's any
14 questions. Because we've got items one, two, three, four,
15 five, six, seven, eight, and nine, which are all various
16 bids for IT, grounds, nuisance abatements, and janitorial
17 services, in addition to the storm sewer manhole
18 installation.

19 So the chair will entertain a motion to approve
20 or -- approve, deny, or postpone items one, seven, and
21 nine as listed above.

22 MR. DUNLEAVY: Motion to approve.

23 MR. BONDS: Properly moved; is there a second?

24 MS. ALLEN: Support.

25 MR. BONDS: And support. Any further

1 discussion?

2 MS. ALLEN: I do have one question.

3 MR. BONDS: Yes ma'am?

4 MS. ALLEN: With the items for 2016-298, 99,
5 300, one through two, this is just a request to actually
6 solicit bids. You have not gone through the bid process,
7 is that correct?

8 MR. COPPLER: Correct, yes, our process is the
9 council will approve us to go out to bid.

10 MS. ALLEN: Thank you.

11 MR. BONDS: All right, any other questions?

12 (No response)

13 MR. BONDS: Hearing none, chair will entertain a
14 oh -- actually, we have it. All those in favor of
15 approving the motion as stated, signify by stating aye.
16 Aye.

17 MR. DUNLEAVY: Aye.

18 MS. ALLEN: Aye.

19 MS. THOMAS: Aye.

20 MR. BONDS: Any opposed?

21 (No response)

22 MR. BONDS: Hearing none, motion passes.

23 Items eight and ten, the city manager has also
24 requested that items eight and ten be brought forward for
25 early review. Item eight is the approval of Resolution

1 2016-310, which is the resolution awarding the bid for the
2 retention basin concrete restoration project.

3 This item was approved by the city council at
4 their October 3rd city council meeting. Mr. Coppler,
5 would you please provide a summary?

6 MR. COPPLER: Yes. As you should be aware, we
7 identified a number of issues at the retention basin that
8 holds the overflow of sewage when we get large rain
9 events. This was placed out to bid, and we are
10 recommending that the project be awarded to Pullman SST,
11 an amount not to exceed \$171,571. And we put in a 15
12 percent contingency, so we're locking in another \$25,000
13 plus for that.

14 MR. BONDS: Any questions from the board?

15 (No response)

16 MR. BONDS: Okay, the chair will entertain a
17 motion to approve, deny, or postpone Resolution 2016-310.

18 MR. DUNLEAVY: Motion to approve.

19 MR. BONDS: It's been properly moved.

20 MS. THOMAS: Second it.

21 MR. BONDS: And supported. Any further
22 discussion?

23 (No response)

24 MR. BONDS: Hearing none, all those in favor,
25 signify by stating aye. Aye.

1 MR. DUNLEAVY: Aye.

2 MS. ALLEN: Aye.

3 MS. THOMAS: Aye.

4 MR. BONDS: Any opposed?

5 (No response)

6 MR. BONDS: Hearing none, motion passes.

7 Resolution 2016-316, which is the settlement of
8 Cathay House versus the City of Lincoln Park. This item
9 was approved by the city council at their October 10th,
10 2016, council meeting.

11 Mr. Coppler?

12 MR. COPPLER: So the city, as a result of a
13 sewer backup in 2011, was sued by the Cathay House. The
14 attorney that represented the city has been in
15 negotiations with that owner, and came to a settlement
16 that he presented to the city council. We have Mr. Plato
17 here, if you have any questions on this particular
18 settlement.

19 MR. DUNLEAVY: I have a question for him.

20 MR. BONDS: Okay.

21 MR. DUNLEAVY: Was this the only place that
22 backed up?

23 MR. COPPLER: There was actually -- I don't know
24 if you want to talk about all the suits that came out of
25 this.

1 MR. PLATO: Thank you, I appreciate the
2 opportunity to come before this board for the first time
3 here, and it's good to see some familiar faces that I've
4 seen before, for a while.

5 This was one of multiple homes; we had, I think,
6 in excess of 200 homes that flooded in these two rain
7 events back in July and August of 2011. There is a class
8 action lawsuit that's been pending that's actually gone up
9 to the Court of Appeals, and recently to the Supreme
10 Court.

11 A couple legal issues that have tied up anything
12 having to do with the class action; the class actually
13 hasn't even been certified yet. The Cathay House decided
14 to retain separate counsel, and it really was thought this
15 was not really related to the class action plaintiffs,
16 because all the class action plaintiffs are in the very
17 southeast corner of Lincoln Park, and involves an issue
18 with the interceptor being full.

19 The Cathay House is in the far southwest corner,
20 and the sewer system flow is from west to east, so they
21 were kind of the top end of the system. Whereas the other
22 class action claimants were more toward, on the bottom end
23 of the system, right next to the interceptor.

24 So we treated them separately. They've had
25 separate counsel, and unfortunately, in August of this

1 year, they had another flooding event. And the Cathay
2 House has been in business for, well, at that location, I
3 think for over 30 years; it's been kind of an institution
4 in Lincoln Park.

5 MR. DUNLEAVY: Yeah I know, I've eaten there.

6 MR. PLATO: And the food there actually is very
7 good; I had the opportunity to have dinner there the other
8 evening. But the case from 2011, that's the one that's in
9 litigation, went through the case evaluation process in
10 Wayne County. I don't know if you're familiar with that;
11 that's where the court appoints three independent
12 attorneys to listen to all the case, the claims and
13 defenses, and put what they to believe a reasonable
14 settlement value on the case.

15 They put a value of it, for settlement purposes,
16 of \$97,000 and some change. The Cathay House has now come
17 to us, they actually parted ways with their attorney that
18 was representing them; I've been dealing with the owners
19 of the Cathay House personally.

20 And we have the opportunity now to settle both
21 the 2011 claim that's in litigation, and the recent claim,
22 arising out of the August flooding of this year, for an
23 amount that I'm, if I could, if I could distribute the
24 terms of the settlement to the board?

25 MR. BONDS: Thank you.

1 MR. PLATO: I'm reluctant to put anything on the
2 record publicly, until the settlement is actually
3 finalized, because I don't want to jeopardize the
4 settlement. But I think the terms, based upon the
5 resolving both claims, are very favorable for the city.

6 I think, in my own estimates, their total claim,
7 that they were making arising out of the 2011 incident was
8 for about \$209,000. I think some of that was obviously
9 inflated, but legitimately they may have more of a claim
10 closer to around \$140,000.

11 But in any event, we can wrap up all claims
12 related to this for the amounts that I've set forward.
13 And hopefully, because of some of the steps that are being
14 taken, prevent any further flooding in that incident. It
15 was certainly my recommendation to the city that we
16 proceed in that fashion. So I'd be happy to answer any
17 questions that you have.

18 MR. BONDS: Okay. Any questions?

19 MS. THOMAS: I have a quick question. Just for
20 clarification, the class action, this is unrelated to the
21 class action. Is there any opportunity that Cathay House
22 will be involved in the future of any type of litigation
23 or, I guess, how do we -- is there any surety that this
24 won't come up again?

25 MR. PLATO: Well, there's no -- there's no

1 guarantee that they won't flood again, other than we're
2 taking steps, that's the reason we want to install the
3 backflow arrestor, we think in this particular situation,
4 because of the way the structure is built, because it's
5 surrounded by asphalt on all four sides.

6 And so they don't have a problem where the water
7 comes down, getting into their, you know, footing drains,
8 and it comes up the flood drains that way. Most of their,
9 all their water comes off the -- the rainwater generally
10 floods away from the building.

11 So we think that backflow arrestor will prevent
12 any future flooding incidents there. As far as them
13 participating in either the 2011 class action lawsuit, or
14 class action lawsuit that's been recently filed as a
15 result of the August flooding of this year, their release,
16 again, would cover that and would preclude them from any
17 participation in those class action lawsuits.

18 MS. THOMAS: Thank you.

19 MR. DUNLEAVY: Can I -- a question, Mr. Coppler?
20 Have you budgeted for this event? Or is this going to be
21 a surprise to you?

22 MR. COPPLER: In the water and sewer, we may
23 have to come back ultimately with some type of transfer
24 for that. I think there was a number, I just, off the top
25 of my head, I can't remember this. I think there was a

1 number put in for types of claims, but I don't know if
2 it's sufficient for this. Because, again, at the same
3 time we were putting the budget together, this wasn't
4 being discussed.

5 MR. DUNLEAVY: Are you comfortable with this
6 settlement?

7 MR. COPPLER: As much as anyone can be
8 comfortable, yes. I think there's -- yeah. I mean, you
9 hate to spend money for these type of things. But I think
10 the alternative is we could pay the gentleman, it's by
11 right, a lot more money as well, so.

12 MR. BONDS: All right, any other questions?

13 (No response)

14 MR. BONDS: All right, chair will entertain a
15 motion to approve, deny, or postpone Resolution 2016-316,
16 which is the settlement of Cathay House versus the City of
17 Lincoln Park.

18 MR. DUNLEAVY: Motion to approve.

19 MR. BONDS: Properly moved, is there a second?

20 MS. ALLEN: Second.

21 MR. BONDS: And supported. Any further
22 discussion?

23 (No response)

24 MR. BONDS: Hearing none, all those in favor,
25 signify by stating aye. Aye.

1 MS. ALLEN: Aye.

2 MS. THOMAS: Aye.

3 MR. DUNLEAVY: Aye.

4 MR. BONDS: Any opposed.

5 (No response)

6 MR. BONDS: Hearing none, the motion passes.

7 All right, approval of city manager's
8 appointments to the Department of Public Service and the
9 Fire Department, which includes the additional appointment
10 for the acting fire chief. Mr. Coppler, you want to
11 provide us a overview for these positions?

12 MR. COPPLER: Yes, we actually right now have
13 one opening in the ranks, as a result of the separation by
14 a firefighter. And it was a Firefighter III, which used
15 to be called Fire Sergeant. That's why it's listed here
16 as Fire Sergeant; it should have been put as Firefighter
17 III, but it was one of those Fridays.

18 And we've had the opportunity for a former
19 firefighter with the city interested in coming back. And
20 normally, you know, a position like this would be filled
21 with someone that has very little experience or is
22 relatively new to the Lincoln Park fire system.

23 However, we're kind of in strange times right
24 now. With the chief leaving, with the openings with some
25 injuries that we sustained, you know, overtime is starting

1 to creep up. And with this appointment, we have someone
2 that will be able to put in an engine right away, and be
3 an active firefighter.

4 The only issue, the only strange thing is, that
5 to accommodate this individual wanting to come back in the
6 same rank that he left, which interestingly enough, was
7 the same rank that left, as well. So we had an opening
8 there.

9 And so rather than start at the lower salary,
10 he'd be starting at the same salary as the person that
11 left employment. On the positive side of that is, though,
12 we're not going to experience the overtime issue because
13 in the first year, they don't, they can't drive, they
14 can't operate a pump. Effectively, they're running
15 medical calls for us. This allows us to potentially
16 reduce any overtime that would come because of having a
17 relatively new probationary firefighter.

18 The second one is to fill the chief's position,
19 which is ultimately going to be opened up. And once all
20 the different promotions happen, following the appointment
21 of the regular fire chief, we'll have to hire someone.

22 And so again, to try and get someone on board as
23 quickly as possible, we come now to get permission,
24 because we feel that effectively, the 21st of October is
25 the last day of the current fire chief. And so on the

1 22nd, we'll have that opening. And so we can then onboard
2 that individual.

3 Now, we might as well take care of all three
4 fire ones here real quick. The one that was just added
5 is, as I said, fire chief's leaving on the 21st. We need
6 to have someone in place because of some issues in the way
7 that I would like to do the appointment, we don't have
8 final approval yet, to do that.

9 We're going to have to have, for probably about
10 a period of three months or so, a acting chief. And what
11 we're doing is bringing someone up that's a very good
12 firefighter, a good lieutenant for the city in that
13 capacity. And know that he's going to be able to keep the
14 department going in the direction we need to keep it
15 going, in that three month period.

16 And real quick, the last one is a part time
17 position within DPS. We have a number of part time
18 positions that are funded throughout the year. Because we
19 made some appointments from the part time ranks, we have
20 openings again, and this would fill one of those part time
21 openings.

22 MR. BONDS: The chair will entertain a motion to
23 approve, deny, or postpone the hiring of all the positions
24 as detailed in Attachment 5, in addition to the one that
25 was added at the meeting this afternoon.

1 MS. THOMAS: I have a quick question. Oh,
2 sorry.

3 MR. BONDS: We have a motion.

4 MS. ALLEN: So moved.

5 MR. BONDS: So moved.

6 MS. THOMAS: Support.

7 MR. BONDS: Support. Discussion?

8 MS. THOMAS: Yes, I had a quick question just
9 regarding the person that was coming back. Were they
10 retired or were they working for another department, and
11 also, if they are retired from here, how does it impact
12 their pension, and how we're handling that?

13 MR. COPPLER: They, at the time they left, they
14 separated employment, they didn't retire. They went to
15 work for another fire service. I don't know if it was the
16 western part of this county; I can't remember exactly
17 where they went.

18 But they went to another fire department, so
19 they'd be coming back from that fire department. From the
20 pension standpoint, it's not going to cause any issues.
21 He's going to come back in, into the system, again, with
22 the amount of time he had prior. So the in between piece
23 won't count.

24 MS. THOMAS: So his years of service will be
25 what he had initially?

1 MR. COPPLER: Yeah. Right, yeah, he didn't
2 remove any money from his pension when he left.

3 MS. THOMAS: So he's pretty much starting back
4 up?

5 MR. COPPLER: Yeah. I want to say it's -- he
6 was with us 13 years, for some reason, that's the number.

7 MR. BONDS: Any further discussion?

8 (No response)

9 MR. BONDS: Hearing none, all those in favor,
10 signify by stating aye. Aye.

11 MS. ALLEN: Aye.

12 MS. THOMAS: Aye.

13 MR. DUNLEAVY: Aye.

14 MR. BONDS: Any opposed.

15 (No response)

16 MR. BONDS: Hearing none, the motion passes.
17 The following reports, items six through eleven, are
18 received and filed. Are there any questions or comments
19 from the board members on any of those reports? Which is
20 the budget to actual, cash flow and balance sheet, the
21 check disbursement report, overtime report, tax collection
22 and timing of revenue report, and the monthly report.

23 MS. THOMAS: I do have one question.

24 MR. BONDS: Yes?

25 MS. THOMAS: Just regarding the tax collection

1 report, there. I know that there was some mention of
2 finding additional ways to collect, and actually look for
3 those delinquent accounts, and pursuing that. Has
4 anything changed with that, to date?

5 MS. GRIGGS: Not that I'm aware of. The
6 treasurer is responsible for collecting those personal
7 property taxes, so I can speak with her, and give you an
8 update next month, on that.

9 MS. THOMAS: Thank you.

10 MR. BONDS: I have a quick question. So the --
11 this is the September report, and you reflect that the
12 city hall is now open on Fridays to the public. What were
13 the hours prior to this? I wasn't aware it wasn't a five
14 day a week?

15 MR. COPPLER: So, yes, prior to the middle part
16 of September, the city hall was only open Monday through
17 Thursdays.

18 MR. BONDS: Monday through Thursdays before.
19 And this went into effect September?

20 MR. COPPLER: Yeah, it's the -- was it the
21 second or third Friday of September we started back up.

22 MR. BONDS: So that has a -- does that have,
23 that will have an implication in your budget, I'm
24 assuming?

25 MR. COPPLER: Well, when --

1 MR. BONDS: Or were they just closed to the
2 public but the staff were here?

3 MR. COPPLER: Right.

4 MR. BONDS: Okay.

5 MR. COPPLER: And -- and really, the only change
6 budget wise or, and we addressed it I think, in the last,
7 in September. We did some hiring of some part time
8 personnel; that will give us the flexibility to prepare
9 for the waves that kind of come in. So it actually served
10 two purposes. One, it helps out on the Fridays when
11 basically, we just had full time staff there. So it
12 allows us to be customer centric during Fridays.

13 But also, it gave us a lot more support to get
14 some things done that weren't getting done right away.
15 That was the reason why they closed on Fridays.

16 MR. BONDS: I see.

17 MR. COPPLER: So, it allows us, you know, to be
18 here five days a week, open to the public, and also to get
19 some things done that was kind of dragging on for us.

20 MR. BONDS: I think that's it. Any questions
21 from any other --? Okay.

22 I'll move to the city administrator's report.

23 MR. COPPLER: Real quick, we just submitted all
24 the financially distressed city grant applications. There
25 were seven of them that were ultimately submitted. And

1 I'll provide to you a list of those at the next meeting,
2 so you can see what submitted for.

3 Secondly, we are starting now, we're on the
4 clock for the approval of the service agreement with DUWA.
5 I believe we're probably going to be looking at a work
6 session with the city council, mayor and city council,
7 sometime in November. They are expecting that it'd be
8 approved by the end of December.

9 So, most likely, if there's going to be action
10 by council, you'll be seeing it in December. That's
11 really all I have for you.

12 MR. BONDS: All right. Public comment.

13 MR. VAN de GRIFT: Only one, Mr. Richard Kudrak.

14 MR. KUDRAK: Yeah, here we go, DUWA. Wastewater
15 treatment. Every council meeting, we're under artificial
16 deadlines to -- gotta do this by this date, gotta do this
17 by that date. Where do these deadlines come from? I
18 don't know that Wayne County Executive Warren Evans is
19 gonna die if he doesn't get that \$55 million by January
20 first.

21 Anyway, we're under pressure, we got a speeding
22 train, we gotta do this, we gotta do this. And Mr.
23 Coppler gives his report that says, I don't have the
24 numbers, I don't know, I can't answer that question.

25 They don't have the numbers, they don't know the

1 cost, they don't know the expenses. And I'm terrified
2 that this city, and this city council, is going to take an
3 action that later on we're going to say is a really bad
4 idea.

5 So maybe you folks in the RTAB will be the
6 braking system we need, to slow this down, and make sure
7 the city and all the other cities have time to do their
8 due diligence and make sure this makes sense. Because you
9 got no information. You can't even make a judgment. Why
10 are we still talking about this? Thank you so much.

11 MR. BONDS: Thank you.

12 MR. VAN de GRIFT: That concludes public
13 comment.

14 MR. BONDS: Any board comment?

15 I do want to talk about the rules and
16 procedures, but because of one absence, it's important for
17 all of us to be here, so we'll do it at the November
18 meeting. Any other comments from any other -- and a
19 congratulations to Jessica on her recent marriage, that
20 occurred between our meetings. If not, I'll move for
21 adjournment.

22 MS. ALLEN: So moved.

23 MR. DUNLEAVY: Second.

24 MR. BONDS: We are adjourned.

25 (Proceedings conclude at 1:52 p.m.)

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STATE OF MICHIGAN
COUNTY OF WASHTENAW) .ss

I certify that this transcript is a complete, true, and correct transcript to the best of my ability of the RTAB meeting held on October 18th, 2016, City of Lincoln Park. I also certify that I am not a relative or employee of the parties involved and have no financial interest in this case.

RESPECTFULLY SUBMITTED: October 25, 2016

s/ Amy Shankleton-Novess

Amy Shankleton-Novess (CER 0838)
Certified Electronic Reporter