

City of Pontiac
Receivership Transition Advisory Board Meeting Notes
Wednesday, April 16, 2014

1:00 pm

(Approved May 21, 2014)

Pontiac City Hall
Council Chambers – 2nd Floor
47450 Woodward Avenue
Pontiac, MI 48342

I. CALL TO ORDER

A. Roll Call

Mr. Koryzno called the meeting to order at 1:00 pm. Let the record show that all Board Members are in attendance. Mr. Koryzno introduced the newest member of the Board – Robert Burgess.

B. Approval of Agenda

Koryzno - Entertain a motion to approve the Agenda, as presented.

By motion made (Sawdon) and supported (Schimmel), the Board unanimously approved the motion.

C. Approval of Draft Minutes of March 17, 2014 TAB meeting

Koryzno - Entertain a motion to approve the draft minutes of the March 17, 2014 meeting.

By motion made (Sawdon) and supported (Schimmel), the Board unanimously approved the motion.

II. OLD BUSINESS

A. Waterford Township SAFER Grant Application – From February 19, 2014 TAB Meeting

Koryzno - Entertain a motion, per the recommendation of the City Administrator, to deny acceptance of the SAFER grant due to a lack of matching funds.

Sobota – The City was unable to identify the required funds for the ensuing fiscal year and also not possible for fiscal year 15/16. We recommend not accepting the grant award.

By motion made (Schimmel) and supported (Sawdon), the Board unanimously approved the motion.

B. Resolution 14-87 (Interlocal Agreement with the City of Rochester Hills – City Council Meeting of March 6, 2014)

Koryzno - Entertain a motion to approve the Interlocal Agreement with the City of Rochester Hills, per the terms outlined.

Sawdon – I am employed by the City of Rochester Hills and I will be abstaining from voting on this item.

Sobota – The City identified certain services that the City utilizes and Rochester Hills can provide those services to us at a lower cost and a higher quality than the current vendors.

By motion made (Schimmel) and supported (Burgess), the Board approved the motion by a vote of 3-0-1.

C. Amendment of EM Order S-334 – Reassignment of duties to the Mayor/ Deputy Mayor Position

Koryzno - Entertain a motion to recommend to the State Treasurer an amendment to Emergency Manager Order S-334 to transfer certain authorities from the City Administrator to the Mayor and to make other modifications to increase the efficiency of City operations.

Koryzno - This amendment is part of a multi-step process to transfer responsibility from the City Administrator to the Mayor for budget development, Phoenix Center Litigation, economic development projects, and the VEBA issue.

By motion made (Burgess) and supported (Sawdon), the Board unanimously approved the motion.

Cline – The City should note that these changes will not go into effect until the Treasurer approves them. We will be in contact with the City.

D. Approval of Reorganization Plan

Koryzno - Entertain a motion to reaffirm the Deputy Mayor Job Description and to approve the City's Reorganization Plan that will implement staffing changes and set the salary of the Deputy Mayor position at \$85,000 per year, with no benefits, through June 30, 2015.

By motion made (Schimmel) and supported (Sawdon), the Board unanimously approved the motion.

III. NEW BUSINESS

A. Approval of Resolutions & Ordinances for City Council Meetings

1. March 13, 2014 - Regular Meeting

Koryzno - Entertain a motion to approve all City Council resolutions from the March 13, 2014 meeting.

By motion made (Burgess) and supported (Sawdon), the Board unanimously approved the motion.

2. March 18, 2014 - Special Meeting

Koryzno - No action was taken at this meeting, so no action by the RTAB Board is needed.

3. March 20, 2014 - Regular Meeting

Koryzno - Entertain a motion to approve all City Council resolutions from the March 20, 2014 meeting.

By motion made (Burgess) and supported (Sawdon), the Board unanimously approved the motion.

4. March 24, 2014 - Special Meeting

Koryzno - Entertain a motion to approve all City Council resolutions from the March 24, 2014 Special Meeting.

By motion made (Burgess) and supported (Schimmel), the Board unanimously approved the motion.

5. March 27, 2014 – Regular Meeting

Koryzno - Entertain a motion to approve all City Council resolutions from the March 27, 2014 meeting.

By motion made (Sawdon) and supported (Burgess), the Board unanimously approved the motion.

6. April 3, 2014 – Regular Meeting

Koryzno - Entertain a motion to approve all City Council resolutions from the April 3, 2014 meeting with the exception of Resolution 14-135 (Reappointment of Kone

Bowman to the GERS Board) and Resolution 14-136 (Reappointment of Charlie Harrison to the GERS Board).

Koryzno - Note that the City's application for the Juvenile Justice Block grant was approved by the RTAB Board earlier this year. Upon acceptance of this grant, Oakland County will be the fiduciary of these funds.

By motion made (Sawdon) and supported (Burgess), the Board unanimously approved the motion.

Koryzno - SECONDARY MOTION - Entertain a motion to postpone consideration of Resolution 14-135 (Reappointment of Kone Bowman to the GERS Board) and Resolution 14-136 (Reappointment of Charlie Harrison to the GERS Board), per the request of the City Administrator.

By motion made (Sawdon) and supported (Burgess), the Board unanimously approved the motion.

B. City Administrator Items

1. Paragraphs #1, 10, and 11 have been addressed in Old Business and New Business
2. Paragraph #2 – Finance Department Staffing – Informational only
3. Paragraphs #3, 4, and 5 - Informational only and will be addressed in the Financial Reports Section
4. Paragraph #6 – IRS 420 Transfer – Informational only (attachment #9a)
5. Paragraph #7 – Phoenix Center Litigation (attachment #9b)

Koryzno - Entertain a motion to approve acceptance of the March 20, 2014, offer for \$44,000 by the Phoenix Place – 2006 Limited Dividend Housing Association Limited Partnership for two parcels adjacent to the Phoenix Center.

Koryzno - The RTAB Board authorized the City to pay a good faith offer to Phoenix Place in the amount of \$49,000 to garner a release of easements by Phoenix Place. The sale of the aforementioned lots to Phoenix Place was also part of the agreement. An independent appraisal valued the two lots at \$5,000 less than the Good Faith funds paid by the City.

Sobota – I have no additional comments except that we are hoping to get this done as soon as possible. The net cost to City will be \$5,000 after the easement is signed off on.

By motion made (Schimmel) and supported (Burgess), the Board unanimously approved the motion.

6. Paragraph #8 – Qualified Voter File Grant Agreement

Koryzno - Entertain a motion to approve the City's execution of the grant agreement with the Secretary of State's Office for upgrades to the Qualified Voter File.

Sobota – The grant will not be any additional cost to the City.

By motion made (Burgess) and supported (Sawdon), the Board unanimously approved the motion.

7. Paragraph #9 – Challenge Manufacturing Brownfield Request

Koryzno - Entertain a motion to approve the City's submission of the proposed Challenge Manufacturing Brownfield Project be submitted to the Oakland County Brownfield Authority for review, with the stipulation that no reimbursements extend beyond the year 2031.

Sobota – This is one step of several that will need to occur. The Council is considering removing a parcel from a TIFA district which will help the TIFA district. Any additional taxes will be captured by the Brownfield up to the year 2031.

By motion made (Sawdon) and supported (Schimmel), the Board unanimously approved the motion.

8. Paragraph #10 – Approval of TIFA Actions

Koryzno - Entertain a motion to approve the Partial Discharge of Mortgage, Mortgage Subordination and Intercreditor Agreement and Development Agreement for Eltel Associates, LLC, approved by the TIFA Board at an April 3, 2014 Special Meeting.

Sobota – TIFA needed to hire special counsel to review certain documents. The City approves the discharges as requested.

By motion made (Schimmel) and supported (Burgess), the Board unanimously approved the motion.

9. Paragraph #12 – Reappointments to the General Employees Retirement System Board of Trustees – Addressed under the April 3, 2014 meeting section.

IV. NON ACTION ITEMS

A. Monthly Financial Report – March 2014

Nazarko – Gave brief overview of report. Based on the latest projections, the City’s cash flow will be stabilized for the month of April.

Koryzno – Expenses for police and fire are above what would be normal percentages for this time of year.

Nazarko – The entire amount was billed but we are paying quarterly.

Sawdon – Regarding the delinquent rolls to the County – it is at 22 percent. Is that normal?

Nazarko – Yes, that is normal. Last year it was 20 percent.

B. Quarterly Report – Due April, 2014

This information was provided during the Financial Report presentation.

V. PUBLIC COMMENT

Robert Martin – Commented on the lack of attachments with the RTAB agenda.

Mayor Waterman – Welcomed Robert Burgess. Glad that the amendments to EM Order S-334 have been recommended to the State Treasurer.

VI. BOARD COMMENTS

Koryzno – Copies of all agenda attachments are available for viewing at each RTAB meeting and you may request copies from the City Administrator’s Office.

VII. ADJOURNMENT

There being no further business, the meeting adjourned at 1:26 pm.

Angela Demphouse

5/21/14