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CITY OF PONTIAC
RECEIVERSHIP TRANSITION ADVISORY BOARD MEETING
TUESDAY, JUNE 28, 2016
1:00 P.M.

Meeting before the RTAB Board at
47450 Woodward Avenue, 2nd Floor, Council
Chambers, Pontiac, Michigan 48342, on Tuesday,
June 28, 2016.

BOARD MEMBERS:

- Edward Koryzno, Chairperson
- Keith Sawdon, Member
- Robert Burgess, Member
- Douglas Bernstein, Member

ALSO PRESENT:

- Drew Van De Grift (Department of Treasury)
- Nevrus Nazarko (Director of Finance)
- Mayor Deirdre Waterman (City of Pontiac)
- Deputy Mayor Jane Bais-DiSessa (City of Pontiac)

MEMBERS OF THE PUBLIC ADDRESSING THE BOARD:

- Randy Carter (Council member)

REPORTED BY:

- Quentina R. Snowden, (CSR-5519)
Certified Shorthand Reporter,
Notary Public

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1 PONTIAC, MICHIGAN; TUESDAY, JUNE 28, 2016

2 1:00 P.M.

3 CHAIRPERSON KORYZNO: Good afternoon.
4 It's 1 p.m., and I'll call the City of Pontiac
5 Receivership Transition Advisory Board meeting to
6 order for Tuesday, June 28, 2016.

7 Mr. Van De Grift, roll call, please.

8 MR. VAN DE GRIFT: Douglas Bernstein?

9 MEMBER BERNSTEIN: Here.

10 MR. VAN DE GRIFT: Robert Burgess?

11 MEMBER BURGESS: Here.

12 MR. VAN DE GRIFT: Edward Koryzno.

13 CHAIRPERSON KORYZNO: Here.

14 MR. VAN DE GRIFT: Keith Sawdon?

15 MEMBER SAWDON: Here.

16 MR. VAN DE GRIFT: All present.

17 CHAIRPERSON KORYZNO: Thank you. A
18 reminder to the public that if you intend to speak
19 during the Public Comment portion of the meeting, it
20 will be necessary for you to sign the sheet located
21 at the table at the rear of the room.

22 Next item is Item I B, approval of
23 agenda. I'll entertain a motion to approve the
24 agenda as presented.

25 MEMBER BURGESS: I'll make that

1 motion.

2 MEMBER SAWDON: Support.

3 CHAIRPERSON KORYZNO: Moved by
4 Burgess, supported by Sawdon.

5 Any comment? Seeing none, all in
6 favor of the agenda say "aye."

7 (All ayes.)

8 CHAIRPERSON KORYZNO: Opposed, "nay."

9 The agenda is approved as presented.

10 Item I C, Approval of Minutes, March
11 16, 2016 RTAB minutes. I'll entertain a motion.

12 MEMBER BURGESS: I'll make that
13 motion.

14 MEMBER SAWDON: Support.

15 CHAIRPERSON KORYZNO: Moved by
16 Burgess, supported by Sawdon to approve the March
17 16, 2016 RTAB minutes.

18 Any discussion? Seeing none, all in
19 favor of the motion say "aye."

20 (All ayes.)

21 CHAIRPERSON KORYZNO: Opposed "nay."

22 The minutes for March 16th are
23 approved.

24 Item I C 2, the minutes for March
25 31st, 2016. I'll entertain a motion to approve the

1 RTAB minutes from March 31, 2016.

2 MEMBER SAWDON: Motion to approve.

3 MEMBER BURGESS: Support.

4 CHAIRPERSON KORYZNO: Moved by Sawdon,
5 supported by Burgess. Any discussion? Seeing none,
6 all in favor of the motion say "aye."

7 (All ayes.)

8 CHAIRPERSON KORYZNO: Opposed say
9 "nay."

10 The minutes for March 31st, 2016 are
11 approved.

12 There is no New Business -- excuse me,
13 there is no Old Business, so we'll right to Item
14 III, New Business.

15 Now, I want to remind the audience --
16 or the public, excuse me, that the State Treasurer,
17 upon recommendation of this Board, returned control
18 of the City to the Mayor and City Council with
19 certain exceptions. These exceptions require RTAB
20 approval, and those exceptions include approval of
21 the annual budget and expenditures in excess of
22 \$500,000.

23 With that, approval of Resolution
24 16-141 contract with Angelo Iafrate Construction
25 Company for Paddock Street reconstruction and water

1 main replacement.

2 Mayor Waterman, good afternoon.

3 MAYOR WATERMAN: Good afternoon. Good
4 to see you again. It's been a while.

5 CHAIRPERSON KORYZNO: Yes, it has.
6 Could you provide us with some background on this,
7 please?

8 MAYOR WATERMAN: Yes. The Paddock
9 Street construction is one of the streets that is
10 badly in need of repair. One of the things, as
11 Pontiac has restored itself to financial stability,
12 is to use some of the surplus now to repair some of
13 the infrastructure of the City. And one of the
14 streets that we're able to repair by the fact that
15 we are now obeying some of that surplus, to repair
16 our local street, Paddock Street. And we do have a
17 contract and do have the appropriate resolutions
18 that have been passed from City Council. I do have
19 the Deputy Mayor here who can describe the details
20 of this resolution, if you would like further
21 information.

22 CHAIRPERSON KORYZNO: The only
23 question or -- I understand that the City attorney
24 has reviewed and approved the process.

25 MAYOR WATERMAN: He has.

1 CHAIRPERSON KORYZNO: That's the only
2 question I have. Any questions for the Mayor or Ms.
3 Bais-DiSessa from the Board?

4 That's all we have then, Mayor. Thank
5 you.

6 CHAIRPERSON KORYZNO: I'll entertain a
7 motion.

8 MEMBER SAWDON: Motion to approve.

9 MEMBER BERNSTEIN: Second.

10 CHAIRPERSON KORYZNO: Moved by Sawdon,
11 supported by Bernstein. Any further discussion?

12 Seeing none, all in favor of the
13 motion say "aye."

14 (All ayes.)

15 CHAIRPERSON KORYZNO: Opposed, "nay."
16 The motion is approved.

17 Item III B, Ordinance 2336, the fiscal
18 year 2016/'17 budget. Mayor Waterman.

19 MAYOR WATERMAN: Yes. The budget is
20 now submitted to you, having been passed by the City
21 Council by June 9th. And this is in compliance with
22 order number S281, which states that the Mayor is to
23 submit a proposed two-year balanced budget to the
24 City Council for consideration to establish minimum
25 requirements for the proposed budget and to require

1 City Council to adopt the budget by June 9th of each
2 year.

3 You see before you the budget that has
4 been approved. It's been quite a journey from the
5 time we started the budget preparation back in
6 February and worked with Council to set goal-setting
7 solutions, until it was actually passed June 9th.

8 Some of the considerations that we had
9 in terms of the long discussions and planning with
10 City Council are also described in the budget
11 document, which we have attached to Council, as we
12 have questions and considerations to go along with
13 the budget. One of the things that you will see
14 included in this budget is it is a balanced budget,
15 as is required, in addition to the fact that we'll
16 establish that we do have a GILfund surplus now of
17 30 percent, as well as also funds of -- all the
18 other funds in the neighborhood of 28 to 30 percent.
19 It also will include recognition of our current
20 staff, including a one-and-a-half pay raise for the
21 City employees.

22 There are some things that have not
23 been decided that will affect this budget and need
24 some budget amendments in the future, including the
25 fact that we're now currently in labor negotiations

1 with the court, and that is still ongoing, so that
2 they will have to include those in later budget
3 amendments. But you have before you the budget
4 which is recognized by both the Council and the
5 Mayor's office for your consideration.

6 CHAIRPERSON KORYZNO: Any questions
7 for Mayor Waterman, about the budget, from the
8 Board? Seeing none, I'd just like to say thank you
9 to Mr. Nazarko for responding to the questions from
10 our staff. It was very important.

11 MAYOR WATERMAN: And he is here to
12 answer any questions.

13 CHAIRPERSON KORYZNO: Appears the
14 Board has no questions.

15 MAYOR WATERMAN: No questions.

16 CHAIRPERSON KORYZNO: His responses
17 were sufficient.

18 All right. Thank you, Mayor. I'll
19 entertain a motion.

20 MEMBER SAWDON: Motion to approve.

21 MR. BURGESS: Support.

22 CHAIRPERSON KORYZNO: Moved by Sawdon,
23 support by Burgess to approve the Ordinance 2336,
24 the fiscal year 2016/'17 budget. Any further
25 discussion?

1 Seeing none, all in favor of the
2 motion say "aye."

3 (All ayes.)

4 CHAIRPERSON KORYZNO: All opposed say
5 "nay."

6 The budget is approved -- or the
7 ordinance is approved. Excuse me.

8 Item IV is the Mayor's report. Mayor
9 Waterman.

10 MAYOR WATERMAN: We're moving right
11 along here.

12 CHAIRPERSON KORYZNO: We certainly
13 are.

14 MAYOR WATERMAN: This is indeed a
15 watershed moment for the City of Pontiac. It's been
16 a long journey in the past nine years since Pontiac
17 was officially found to be in a state of financial
18 emergency, and the era for governance first by
19 emergency managers, then by city administrator.

20 It's a curious factor that some of us
21 recognize that none of the elected officials
22 currently hold office have ever been in office when
23 there wasn't some form of state governance and
24 oversight. So we have emerged and we are moving
25 onward to a stronger future, and especially

1 recognize by the city elected officials taking on
2 fiscal responsibility as we get our first inaugural
3 budget passed and we're ready to move on in terms of
4 the health the fiscal responsibility.

5 I have timed my State of the City
6 Address tomorrow with this meeting, with the essence
7 that this will be passed and then I can announce to
8 the public that they have emerged from this with the
9 help of all of those elected officials. I see here
10 in recognition of that is our Council President,
11 Patrice Waterman, also our Councilman from District
12 4, Randy Carter, and the others who would be here,
13 some of whom will be at the State of the City
14 Address tomorrow to announce this factor, and to say
15 that we are moving on in many ways.

16 Now, in your packets here I've
17 included some of the things that show what we are
18 doing to carry on and to implement many of the
19 agendas that we have set forward to the City.

20 In your packet also -- and this has
21 been distributed to you previously, I believe, from
22 Treasury -- as part of the final amended order, we
23 were also asked to investigate the PEG fee, if there
24 was any necessary PEG fee agreement between the City
25 and the Pontiac School District.

1 We did investigate this. We have
2 utilized and retained the services of the same
3 attorney who had done previous investigations, who
4 was one of the chief attorneys in the State from the
5 firm that handles a lot of communication issues, and
6 they have the draft of the letter -- well, actually
7 the letter of opinion that was addressed to me on
8 behalf of this order to get this opinion. And you
9 see before you the results of that.

10 So that has been included for your
11 consideration and you will see how it will guide the
12 future relationship between the handling of those
13 PEG fees as the Council has had certain mandates
14 they would like us to do and utilization of the PEG
15 fees with the City.

16 The rest of your packet is for
17 information only, to show some of the other things
18 that we're doing as we're realizing and implementing
19 a lot of the platforms that we have to bring forth
20 to the City, including the fact that as we are doing
21 city planning, and community and economic
22 development, one of the things that we undertook --
23 and this was a grant that I told you about
24 previously -- but to let you know that we did get
25 the final report, and the cover of that is in your

1 packet here, and that was a CNU Legacy Charrettes
2 that we did in April, a vision for revitalize and
3 transit ready downtown Pontiac. We were one of the
4 three communities in the State of Michigan that were
5 awarded this grant. Detroit and Hazel Park were the
6 other two. And a few weeks ago we were given the
7 final report.

8 So this is tied in with all of the
9 studies and the plans that have been done by the
10 City of Pontiac, and will tie in with how we
11 implement our vision for developing economic
12 development, particularly as it relates to the
13 transit, as it relates to our center town.

14 So, some other things coming to town,
15 including Dream Cruise. That's another thing that
16 we brought into the City banner. This is a way of
17 supporting our businesses and also highlighting a
18 lot of the economic development changes that are
19 going on in the City of Pontiac.

20 So these are for information purposes
21 to say that we have been busy over the past number
22 of weeks, but we are happy that we have gotten this
23 milestone accomplished in terms of our budget, and
24 we are moving forward in a positive vein. And I
25 understand that we won't get a chance to talk to you

1 much anymore, in your volunteer positions. I
2 understand that there may be some lessening of your
3 rank soon, or -- if that is correct in terms of
4 retirement, I don't know if that's announced yet,
5 but we're moving forward in a positive way and
6 bringing all of Pontiac under the banner, restoring
7 unity in the community and looking for positive
8 attributes to the community as a whole. Thank you.

9 CHAIRPERSON KORYZNO: Any questions
10 from the Board members for Mayor Waterman?

11 Thank you, Mayor.

12 Next item is Public Comment. Anyone
13 wishing to speak, per Board rules you'll have two
14 minutes. And Mr. Van De Grift will announce your
15 name and will also act as timekeeper.

16 MR. VAN DE GRIFT: Councilman Carter.

17 COUNCILMAN CARTER: Oh, thank you very
18 much. Hello, everyone. I'll be brief. Actually
19 two things. One is, I was in -- I was in Lansing to
20 attend a meeting with the CRC of Michigan --

21 CHAIRPERSON KORYZNO: Time-out,
22 Council Member Carter.

23 COUNCILMAN CARTER: I'm sorry.

24 CHAIRPERSON KORYZNO: We haven't met
25 since March. I've lost my ability to run the clock.

1 I've got to ask you to hold on for just a second.

2 CHAIRPERSON KORYZNO: Thank you.

3 There we go. You may begin.

4 COUNCILMAN CARTER: The question I had
5 was, I met last week with CRC Michigan. And the
6 question I have about tax levees. And they informed
7 me that when we have the one with the schools,
8 actually had a tax levy against the City and placed
9 on us through the court, that unless there was a
10 criminal negligence by the City, that it shouldn't
11 have happened. I mean, I'm just bringing it up
12 because I just want to know if it has been addressed
13 or has anyone looked into it. Has this body looked
14 into it? Because unless it was a dog bite or police
15 negligence then ideally it had to be criminal intent
16 in order to have a levy.

17 That was my one question.

18 The second question I have, due to the
19 previous EM order to demolish the Phoenix Center, I
20 was going to ask this body, is it possible to go
21 ahead and relieve the parking money we have, 4
22 million dollars or so, and utilize that for the
23 building up of the downtown for public parking, and
24 utilize the expense to modify Wide Track into a
25 two-way boulevard? And I would like to see the west

1 side of Wide Track to be renamed again Woodward as a
2 continuation from Woodward on that side of the
3 street, cut-off at Montcalm. That's it. Thank you
4 very much. That would be nice.

5 CHAIRPERSON KORYZNO: Thank you,
6 Council Member Carter.

7 That's the only public comment?

8 MR. VAN DE GRIFT: That's it. Yes,
9 sir.

10 CHAIRPERSON KORYZNO: All right.
11 Thanks.

12 The next item we will move to is Board
13 Comment. Any comments from the Board members?

14 MEMBER SAWDON: None from me.

15 MEMBER BURGESS: None from me.

16 CHAIRPERSON KORYZNO: The only comment
17 I have is in regards to the PEG fees that the Mayor
18 had mentioned. And the final order contains a
19 provision that the City share a one-time PEG fee
20 with the school district, that it's my understanding
21 that this hasn't been done as Mayor Waterman had
22 indicated, and I just wanted to remind the City that
23 because this is part of the final order, that we
24 anticipate that some action will be taken.

25 MAYOR WATERMAN: As I was attempting

1 to carry out, and to that provision in the final
2 order, amended final order, did read it along with
3 the attorneys to see what was actually asked of us.
4 And instead of a distribution of the appropriate --
5 operative word "appropriate PEG fees." So, I used
6 the attorney's opinion letter to determine what was
7 appropriate.

8 CHAIRPERSON KORYZNO: Thank you for
9 that clarification.

10 All right. Seeing no other comments
11 from the Board, I will entertain a motion to
12 adjourn.

13 MEMBER BURGESS: I make that motion.

14 MEMBER SAWDON: Support.

15 CHAIRPERSON KORYZNO: Moved by
16 Burgess, supported by Sawdon. All in favor say
17 "aye."

18 (All ayes.)

19 CHAIRPERSON KORYZNO: Opposed, "nay."

20 The meeting is adjourned at 1:17 p.m.
21 Thank you for coming.

22 (Proceedings concluded at 1:17 p.m.)
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C E R T I F I C A T E

I, Quentina Rochelle Snowden, do hereby certify that I have recorded stenographically the proceedings had and public comment 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.

Dated: July 8, 2016



Quentina R. Snowden

Quentina R. Snowden, CSR-5519

Notary Public, Genesee County, Michigan

My commission expires: 1/4/2018