

approved 8-11-15

RTAB Minutes - June 24 2015

1

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

CITY OF BENTON HARBOR  
RECEIVERSHIP TRANSITION ADVISORY BOARD MEETING  
JUNE 24, 2015

City of Benton Harbor Receivership Transition Advisory Board Meeting held June 24, 2015 at Commission Chambers, Benton Harbor City Hall, 200 East Wall Street, Benton Harbor, Michigan at 11:00 a.m.

REPORTED BY: Ms. Alison R. Huffman - CSR-0945  
Certified Court Reporter

†

2

1  
2

RTAB Minutes - June 24 2015

3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

BOARD MEMBERS:

- MR. LARRY STECKELBERG (Chairman)
- MS. SHARON HUNT
- MR. MARVIN RAGLON
- MR. BRET WITKOWSKI

TREASURY STAFF:

- MR. ROBERT WIDIGAN

BENTON HARBOR STAFF:

- MR. DARWIN WATSON (City Manager)

♀

3

- 1 Benton Harbor, Michigan
- 2 Wednesday, June 24, 2015 - 11:00 a.m.
- 3 MR. STECKELBERG: I'll call to order the
- 4 Receivership Transition Advisory Board for June 24th.
- 5 Please take the roll.
- 6 MR. WIDIGAN: Mr. Steckelberg?
- 7 MR. STECKELBERG: Here.

RTAB Minutes - June 24 2015

8 MR. WIDIGAN: Mr. Witkowski?  
9 MR. WITKOWSKI: Here.  
10 MR. WIDIGAN: Mr. Raglon?  
11 MR. RAGLON: Here.  
12 MR. WIDIGAN: Let the record note that Sharon  
13 Hunt is absent, but a quorum is present.  
14 MR. STECKELBERG: I'll entertain a motion to  
15 approve today's Agenda.  
16 MR. WITKOWSKI: I'll make that motion.  
17 MR. RAGLON: Second.  
18 MR. STECKELBERG: All those in favor?  
19 MR. RAGLON: Aye.  
20 MR. WITKOWSKI: Aye.  
21 MR. STECKELBERG: Reminder to the public, if  
22 anybody here wishes to speak, please sign in at the table  
23 and then you will be given time later on in the Agenda  
24 for that.  
25 Okay. Next motion, approval of the RTAB

4

1 minutes of April 29, 2015 with the clarifications noted  
2 in the attachments.  
3 I'll entertain a motion.  
4 MR. WITKOWSKI: I'll make that motion.  
5 MR. RAGLON: I have a question. On Page 6,  
6 Line 17, "...one vehicle, the purchased for, with the  
7 terms of the loan being quarterly..." I think that  
8 should be "...one vehicle, but purchased four, f-o-u-r."  
9 MR. STECKELBERG: Are you purchasing four?  
10 MR. WITKOWSKI: Yes.  
11 MR. WATSON: Right, it was four.

12 MR. RAGLON: I think we discussed that and  
13 that's what came out of that discussion.

14 MR. STECKELBERG: Duly noted.

15 With the proposed change from Mr. Raglon, I'll  
16 now entertain a motion for the approval of the minutes  
17 from April 29th.

18 MR. RAGLON: I so motion with the change as  
19 noted.

20 MR. WITKOWSKI: I'll support that.

21 MR. STECKELBERG: All those in favor?

22 MR. WITKOWSKI: Aye.

23 MR. RAGLON: Aye.

24 MS. HUNT: I have a nay. Sorry about that.

25 Sorry I'm late. I had a meeting at work.

5

1 Regarding the April 29th minutes on  
2 Attachment 1, Page 25, Line 21, and this is just for  
3 clarity's sake, it says, "I haven't worked in  
4 corporate..." But it should be, "I have worked in  
5 corporate..." was the statement that I made that I wanted  
6 to --

7 MR. RAGLON: I thought that was the case, but  
8 I wasn't sure.

9 MR. WITKOWSKI: Marvin didn't want to speak for  
10 you.

11 MR. RAGLON: I thought you said, "have."

12 MS. HUNT: Yes. So I did want to make that  
13 correction.

14 MR. STECKELBERG: I'll make a motion to correct  
15 the minutes of April 29th to reflect the suggested changes  
16 from Sharon, Miss Hunt.

RTAB Minutes - June 24 2015

17

MR. RAGLON: I second.

18

MR. STECKELBERG: All those in favor?

19

MR. WITKOWSKI: Aye.

20

MR. RAGLON: Aye.

21

MS. HUNT: Aye.

22

MR. STECKELBERG: Under Old Business, we

23

discussed at the last meeting the upcoming annual

24

evaluation of the work of the RTAB and the condition of

25

the City vis-a-vis the order from the Governor and the

6

1

final order from the Emergency Manager.

2

Mr. Widigan, would you please address the Board

3

on updating us on this matter and the instrument to be

4

used?

5

MR. WIDIGAN: Okay. So as Mr. Steckelberg

6

pointed out, the Governor's RTAB appointment letter

7

requests that the Board conduct a formal annual evaluation

8

of the City's operational and financial progress by

9

identifying strengths, weaknesses, benchmarks achieved and

10

benchmarks not yet achieved, including a list of specific

11

recommendations, potential resources available to assist

12

city officials and other constructive feedback that

13

informs City officials, residents and other stakeholders

14

concerning how the City can promote and ensure long-term

15

sustainability.

16

So the categories upon which the community's

17

operation will be evaluated include Annual Performance

18

indicators, identification and measurement of the progress

19

made by the local unit on specific criteria over the past

20

evaluation period, which would be back to March of 2014;

21 State Oversight, identification and measurement of the  
22 level of State oversight needed to be exercised by the  
23 RTAB to effectively monitor and guide local operations  
24 over the past year; Best Practices, identification and  
25 measurement of the degree by which the local unit has

7

1 implemented practices and procedures; and then also  
2 review Future Planning to evaluate those items that the  
3 local unit has implemented to improve its financial and  
4 operational conditions over a long-term period.

5 So I e-mailed out the template for the  
6 evaluation. In July, likely Eric Cline and myself will  
7 visit the City and meet with Darwin and City officials and  
8 go over this, and then I will also be contacting each  
9 Board member to solicit your input and then that will all  
10 be put into basically a cover memo and sent. It will come  
11 back to the RTAB in August for your review, and we'll try  
12 to get that out sooner so you'll have time to review it,  
13 and then if the Board is okay with the evaluation, it  
14 mirrors all the comments, then the Board will vote and  
15 send it to the Governor.

16 MR. STECKELBERG: All right. So plenty of  
17 activity over the summer with that review and interaction  
18 of our staff with the Treasury staff of the City, but we  
19 can anticipate that. I think that shouldn't be a problem  
20 for the August meeting.

21 On to New Business. I'll entertain a motion to  
22 approve the resolutions and ordinances for the City  
23 Commission meeting of April 20th, 2015.

24 MR. WITKOWSKI: So move.

25 MR. RAGLON: Second.

1 MR. STECKELBERG: All those in favor?  
2 MR. RAGLON: Aye.  
3 MS. HUNT: Aye.  
4 MR. WITKOWSKI: Aye.  
5 MR. STECKELBERG: I'll entertain a motion  
6 for the approval of the resolutions and ordinances for  
7 May 4th, 2015.

8 MS. HUNT: I'll make a motion to approve the  
9 resolutions and ordinances of May 4th.

10 MR. RAGLON: Second.

11 MR. STECKELBERG: All those in favor?

12 MS. HUNT: Aye.

13 MR. RAGLON: Aye.

14 MR. WITKOWSKI: Aye.

15 MR. STECKELBERG: I'll entertain a motion to  
16 approve the resolutions from the May 18th, 2015 City  
17 Commission meeting.

18 MR. RAGLON: I'll make a motion that we approve  
19 the May 28th City ~~committing~~ <sup>Commission</sup> meeting.

20 MS. HUNT: I second.

21 MR. STECKELBERG: All those in favor?

22 MR. RAGLON: Aye.

23 MS. HUNT: Aye.

24 MR. WITKOWSKI: Aye.

25 MR. STECKELBERG: I'll entertain a motion to

1 approve the resolutions from the May 27th special City  
2 Commission meeting.

3 MS. HUNT: I'll make a motion to approve the  
4 resolutions and ordinances from the May 27th special City  
5 Commission meeting.

6 MR. WITKOWSKI: I'll second that.

7 MR. STECKELBERG: All those in favor?

8 MS. HUNT: Aye.

9 MR. WITKOWSKI: Aye.

10 MR. RAGLON: Aye.

11 MR. STECKELBERG: And, finally, I'll entertain  
12 a motion to approve the resolutions from the June 1st,  
13 2015 regular City Commission meeting.

14 MR. WITKOWSKI: I'll make a motion.

15 MS. HUNT: I second.

16 MR. STECKELBERG: All those in favor?

17 MR. WITKOWSKI: Aye.

18 MR. RAGLON: Aye.

19 MS. HUNT: Aye.

20 MR. STECKELBERG: And next up is the City  
21 Manager items.

22 MR. WATSON: Thank you, Chairman Steckelberg.

23 For informational purposes, I know we had talked  
24 about in preceding meetings the possible sale of 200 Paw  
25 Paw. Just to let the RTAB know that that is kind of in

10

1 stalemate and it doesn't look like we'll be selling it any  
2 time soon.

3 It is still being shown by CORE Real Estate and  
4 there is some interest in it from a small manufacturing  
5 company as well as some other entities inside the City,  
6 but I will let you know how that precipitates out once  
7 we get some more information, but the potential sale



8 that we had didn't go through, so -- just couldn't get  
9 together on -- wasn't so much terms, but the gentleman  
10 was representing himself as a member of a Trust and there  
11 were issues getting information from the Trust and it  
12 just didn't materialize, so --

13 The second item. At the last Commission meeting  
14 on the 15th of June, we adopted the Fiscal Year '15-'16  
15 Budget, and I'm asking for that to be approved by the  
16 RTAB. I believe you have a copy of the resolution and the  
17 dollar amounts allocated.

18 The one thing that we did have to change in  
19 that budget that we did not have before, we have a  
20 Pension Taxation Fund now and what that is is there's a  
21 millage for the police and fire pension, that prior to  
22 us transferring to MERS, we did not have -- it was  
23 basically kept and we did put it toward the pension.  
24 Now that has to be sent to MERS. So that money will be  
25 pulled out, put into that fund and then tracked when we

11

1 transfer those dollars to MERS.

2 So that's really the only change in the budget  
3 from what Mr. Saunders submitted in his two-year budget  
4 resolution -- two-year budget order, I should say. So  
5 that's the only change to this upcoming year, it's just  
6 being extracted out, put in its own line item and then  
7 being transferred to MERS for payment toward the  
8 obligation that we have with MERS.

9 MR. STECKELBERG: Are there any questions on  
10 that item?

11 MR. RAGLON: None.

12 MR. STECKELBERG: At this point, then, I'll  
13 entertain a motion to approve the changes to the Fiscal  
14 2015-2016 Budget.

15 MR. WITKOWSKI: I'll make a motion to approve  
16 that budget.

17 MR. RAGLON: Second.

18 MR. STECKELBERG: Moved and seconded.

19 All those in favor?

20 MR. RAGLON: Aye.

21 MS. HUNT: Aye.

22 MR. WITKOWSKI: Aye.

23 MR. WATSON: Thank you.

24 Next, we have the millage rate for the budget.

25 The millage rate did not change --

12

1 MR. STECKELBERG: Can I say --

2 MR. WATSON: Oh, sorry.

3 MR. STECKELBERG: -- a second?

4 I do want to point out, normally these sorts of  
5 items when they occur at the Commission meeting would have  
6 been on the next Agenda. We were asked to pull this  
7 forward.

8 MR. WATSON: Correct, and to be in compliance  
9 with the July 1st start of the fiscal year.

10 Next, the approval of the millage rate. The  
11 millage rate for the City of Benton Harbor was presented  
12 and approved by the City Commission meeting -- by the City  
13 Commission at a meeting on June 15th. The millage rates  
14 are listed, including, as I spoke previously about, the  
15 millage for the pension. So this was presented, it was  
16 approved and we're asking for the RTAB's approval on the

RTAB Minutes - June 24 2015

17 millage rates set for fiscal year '15-'16.

18 MR. WITKOWSKI: Any of them get hit by Headlee  
19 at all?

20 MR. WATSON: All of them got hit by Headlee.

21 MR. WITKOWSKI: Really?

22 MR. WATSON: Yeah. The operating mills are  
23 10 and it was rolled back to 9.65.

24 MR. WITKOWSKI: Oh, that's a big drop.

25 MR. WATSON: Yeah. So it's consistent with

13

1 what we have this year. This is basically the exact same  
2 millage rates and the budget has not increased, but going  
3 forward next year, we're going to have to look at it.

4 MR. WITKOWSKI: I'll make a motion to accept the  
5 millage rates.

6 MS. HUNT: I second.

7 MR. STECKELBERG: All those in favor?

8 MS. HUNT: Aye.

9 MR. RAGLON: Aye.

10 MR. WITKOWSKI: Aye.

11 MR. WATSON: Next, we have the Fiscal Year  
12 2014-'15 Budget Amendment and that was presented as  
13 well at the June 15th meeting, and the big -- one of the  
14 big -- one of the things that was notated in here, as you  
15 will note, is the transfer of the Pension Taxation Fund  
16 for this fiscal year. There were some monies left that  
17 needed to be transferred, so that is identified here.

18 MR. WITKOWSKI: Like <sup>\$</sup>60,000 or something?

19 MR. WATSON: Yeah, it was really -- it was

20 <sup>\$</sup>84,000.

RTAB Minutes - June 24 2015

21  
22  
23  
24  
25

MR. WITKOWSKI: Was it?  
MR. WATSON: 85 -- \$85,000  
MR. RAGLON: 85. \$85,000  
MR. WATSON: Yeah, \$85,460.  
MR. RAGLON: Yeah.

14

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

MR. WATSON: And then the other ones are issues that we had where we expected, anticipated projects to be done like in the Major Street Fund; it didn't come to fruition what we had anticipated. We anticipated 70 percent; didn't quite get to that point.

So these are just amendments to bring into compliance issues we have within the budget, but the bottom line, the budget did not change.

MR. STECKELBERG: I'll entertain a motion to approve the budget amendments.

MR. RAGLON: I so motion.

MS. HUNT: I second.

MR. STECKELBERG: All those in favor?

MR. WITKOWSKI: Aye.

MR. RAGLON: Aye.

MS. HUNT: Aye.

MR. STECKELBERG: Item Number 5, the City Manager has requested this be removed from the Agenda, so there's no action required at this time.

Item Number 6.

MR. WATSON: Volunteer Center's Resolution of Recognition. We had this at the last meeting as well, June 15th, and per the Gaming Commission, you have to submit -- you have to get a letter of -- a resolution of

1 recognition from the municipality in which you do your  
2 business or you have your office.

3 This group, Volunteer Center of Southwest  
4 Michigan, is located right over here on Water Street and  
5 what they're doing is they're having a raffle that  
6 they're using the monies to generate funding for their  
7 activities and they need to get that started. They're  
8 putting in a CASA Program, which is a child advocate  
9 program, and that needs funding, so they have to do  
10 training and things of that nature, so they need to have  
11 this done by July 1 so they can start the funding  
12 activities for that program, so that's why we're asking  
13 for this to be pulled forward. Normally, it would be  
14 handled in August, but they need it for timing to get the  
15 funding necessary to do the project.

16 MR. STECKELBERG: Also, this was an item that  
17 was passed at the Board meeting which normally would have  
18 been the next --

19 MR. WATSON: Correct.

20 MR. STECKELBERG: -- but because of the time  
21 he spoke of, we pulled it forward, and I think I will  
22 hold on the vote on this for just a second.

23 I'll entertain a motion to approve this  
24 resolution.

25 MR. RAGLON: I make a motion that we approve

1 this resolution, Volunteer Center's Resolution of  
2 Recognition.

RTAB Minutes - June 24 2015

3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
♀  
1  
2  
3  
4  
5  
6  
7

MS. HUNT: I second.

MR. STECKELBERG: All those in favor?

MS. HUNT: Aye.

MR. WITKOWSKI: Aye.

MR. RAGLON: Aye.

MR. STECKELBERG: This next item was also pulled forward from the next meeting to this meeting because of urgency.

MR. WATSON: Yes. As Chairman Steckelberg alluded to, this was passed at the last Commission meeting on June the 15th. The Title VI Nondiscrimination Policy was given to us, given to staff and we had to make updates to persons who were on that. This initial policy was passed in 2005, so there were updates that needed to be added from the standpoint of laws that had changed that needed to be added and then also contact information in there.

It had been on the Agenda with the Commission a couple times; it had been tabled. We needed to get it back to them. We need to get it -- it should have been back to them a month or so ago, so we're asking because of the urgency to get this to them, we're asking that it be approved now so we can get this document back to the

17

Department of Civil Rights.

MR. WITKOWSKI: Upon the Commission passing?

MR. WATSON: The Commission has already passed it.

MR. WITKOWSKI: Oh, okay.

MR. RAGLON: Why was it tabled before, let me ask?

RTAB Minutes - June 24 2015

8 MR. WATSON: I can't answer that. I don't know  
9 the reasoning for the second one. The first one was that  
10 it didn't go through the proper committee, but it was  
11 e-mailed and provided to each commissioner and then they  
12 tabled it and then we brought it back a subsequent time.  
13 It was part of the consent calendar because it had been  
14 vetted prior. They tabled the entire consent calendar,  
15 so it was part of it, so it got tabled for a second time,  
16 and then we got it approved at the last Commission meeting  
17 on June 15th.

18 MR. WITKOWSKI: I'll make a motion --

19 MS. HUNT: I second.

20 MR. WITKOWSKI: -- to approve.

21 MS. HUNT: And I second.

22 MR. STECKELBERG: All those in favor?

23 MR. RAGLON: Aye.

24 MR. WITKOWSKI: Aye.

25 MS. HUNT: Aye.

18

1 MR. STECKELBERG: On to the Nonaction Items,  
2 Budget to Actual Report, month ending May 31st.

3 MR. WATSON: That was provided to -- that  
4 document was provided to the RTAB. If there are any  
5 questions, the gentleman who has taken over, quasi-taken  
6 over for Jodi at this point, Mr. Richard Simon, is here  
7 to answer any questions you may have. Again, he's this  
8 gentleman here and he's getting his feet wet trying to,  
9 you know, with Jodi leaving, even the time that he worked  
10 with her, just getting his mind around it and getting his  
11 feet wet, solid with what's going on in the department,

RTAB Minutes - June 24 2015  
12 so if there are any questions --

13 MR. STECKELBERG: If you're getting your feet  
14 wet, you have big shoes to fill because Jodi did a great  
15 job.

16 MR. RAGLON: Yes, she did.

17 MR. STECKELBERG: Any questions?

18 Okay. City Manager Update.

19 MR. WATSON: Thank you, Chairman Steckelberg.  
20 Thank you for the passing and pulling forward of those  
21 items.

22 Additionally, just -- I know that you may or  
23 may not have known that we had a Commissioner that passed  
24 away, Commissioner Donald. We had her funeral last  
25 Friday.

19

1 Also, we are -- we had a visioning session for  
2 the redoing of the City Center Park, which went very well,  
3 it was well-attended.

4 Next Monday, we will have a groundbreaking for  
5 Project Resiliency, which is going to occupy the southwest  
6 corner of the parking lot across the street. What it is  
7 is we've worked with a local developer to get a piece of  
8 the ruins from the World Trade Center. So we are going to  
9 redo that part of the parking lot and make it a plaza to  
10 display that and it's going to be taken care of,  
11 maintained by that said developer, and we're very excited  
12 about it because we're one of very few communities around  
13 the country that have this artifact that's going to be  
14 given to us for display and it kind of coincides with the  
15 renaissance and rebirth of the City of Benton Harbor, so  
16 it's befitting that it's put right across the street



RTAB Minutes - June 24 2015

17 from the First Responders, the Fire Department as well as  
18 right downtown in City Center.

19 So that's my update for the RTAB. Thank you.

20 MR. STECKELBERG: Thank you.

21 Nobody signed in for Public Comment, so we'll  
22 move past that to Board Comment.

23 I do want to point out to people that the  
24 budget amendments that were recommended at the April  
25 meeting have been approved by the State Treasurer, so

20

1 that process is complete.

2 And if there's any other Board comment --

3 MR. WITKOWSKI: If I could, has the City  
4 Commission decided how they're going to or if they're  
5 going to fill Commissioner Donald's seat?

6 MR. WATSON: No. The Commission at this point  
7 hasn't made any decision. I think there's going to be  
8 action that they take up at the next Commission meeting.  
9 Having her funeral post -- because it kind of happened  
10 the Friday before the Commission meeting, so they  
11 just -- and, you know, and in respect didn't want to  
12 push the envelope on it, but I do believe they're going  
13 to have some action ready for the next Commission meeting  
14 to appoint someone to that position.

15 The only downside to it for that person,  
16 whomever it may be, if they do -- if it's someone not on  
17 the ballot currently because Commissioner Donald's name  
18 won't be on the November ballot.

19 MR. WITKOWSKI: Right.

20 MR. WATSON: But anyone who is put in that seat

21 that isn't on that ballot will have to run as a write-in  
22 candidate if they want to continue in that seat come  
23 November because the deadline has passed, and that's the  
24 unfortunate part of it, like I said, unless they appoint  
25 one of the two that are on the ballot now, so, yeah, we

21

1 just anticipate there will be something in the next couple  
2 weeks, we'll hear something about what they're going to  
3 do.

4 MR. WITKOWSKI: Do they have -- and obviously  
5 the City Commission handled it right to address it.

6 MR. WATSON: Uh-huh.

7 MR. WITKOWSKI: Do they have like six weeks to  
8 appoint or do they have to have a special election?

9 MR. WATSON: No, you don't have to have a  
10 special election.

11 MR. WITKOWSKI: Okay.

12 MR. WATSON: The person -- by the Charter, if  
13 there is a vacancy by death or resignation, then the  
14 Commission shall appoint a person and then that person  
15 who is appointed would run at the next general election,  
16 which will be November, but, like I said, unfortunately,  
17 they won't be able to be on the ballot because that  
18 deadline has passed, so it would be a write-in candidate.

19 MR. WITKOWSKI: I know some communities when  
20 they have advertised the position with the timing of an  
21 election have asked candidates with no intentions of  
22 running, so not to --

23 MR. WATSON: Yeah.

24 MR. WITKOWSKI: That's each community does their  
25 own thing.

1 MR. WATSON: Right.

2 MR. WITKOWSKI: But I've seen it work in other  
3 communities as a possible suggestion.

4 MR. WATSON: And I think -- having talked with  
5 the Mayor kind of preliminarily, I think that's one of  
6 the things they want to include because in their Council  
7 Rules now it doesn't specify that. I think they want to  
8 make that kind of something that they want to do in this  
9 case because of the timing and how, you know, close to the  
10 election that it did occur.

11 MR. STECKELBERG: All right. Any other Board  
12 comment?

13 MS. HUNT: I'd just like to publicly say that  
14 I apologize for being late. I got caught up in a meeting  
15 at work and I had to leave it early to get here, so I just  
16 wanted to apologize.

17 MR. STECKELBERG: We appreciate you being here.

18 All right, then, with no further business in  
19 front of the RTAB, I move we adjourn.

20 All those in favor?

21 MR. RAGLON: Aye.

22 MR. WITKOWSKI: Aye.

23 MS. HUNT: Aye.

24 MR. STECKELBERG: All right. We're adjourned.

25 (At 11:24 a.m. meeting adjourned.)

1

CERTIFICATE

2

RTAB Minutes - June 24 2015

3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

State of Michigan  
County of Van Buren

I certify that this transcript, consisting of 23 pages,  
is a complete, true and correct record of the RTAB Meeting  
held 6/24/15.

---

Alison R. Huffman - CSR-0945  
Certified Court Reporter  
Notary Public in and for  
Van Buren County, Michigan  
Commission Expires: 8/19/2019