

1 CITY OF PONTIAC -
2 RECEIVERSHIP TRANSITION ADVISORY BOARD MEETING -
3 MARCH 16, 2016 -
4 1:00 p.m. -
5
6 Meeting before the RTAB -
7 Board at 47450 Woodward Avenue, Pontiac, Michigan, on -
8 Wednesday, March 16, 2016. -
9
10 BOARD MEMBERS PRESENT: -
11 Edward Koryzno - The Chairperson
12 Keith Sawdon -
13 Robert Burgess
14 Douglas Bernstein -
15
16 OTHERS PRESENT: -
17 Drew Van De Grift
18 Joseph Sobota -
19 Nevrus Nazarko
20 Mayor Deirdre Waterman -
21 Terrence King
22 Al Pope -
23 Tom Kimball
24 Linda Hasson -
25 Billie Swazer
26 Rochelle Brady -
27 Patrice Waterman -
28
29 REPORTED BY: Mona Storm, CSR# 4460 -
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1	MOTION INDEX -	
2	MOTION	PAGE -
3	Roll Call	3
	Approval of Agenda	3 -
4	Approval of 2-17-16 minutes with amendment	5 -
5	OLD BUSINESS	5 -
6	None -	
7	NEW BUSINESS: -	
8	Approval of Resolutions & Ordinances for City Council Meetings	
9	February 4, 2016, approved except Res 16-24 & 25	6 -
10	Resolution 16-24, denied	6
	Resolution 16-25, denied	7
11	February 11, 2016, approved except Res 16-31 & 32	8 -
12	Resolution 16-31, postponed	9 -
13	Resolution 16-32, postponed	9 -
14	February 18, 2016, approved except 16-42 & 43	10
	Resolution 16-42, denied	11 -
15	Resolution 16-43, denied	11 -
16	March 3, 2016, approved	13 -
17	GERS Board Appointments, Kone' Bowman	22
	Kevin Williams referred back to City Council	23
18	EM S-334 Amendment	27
19	MSHDA Statewide Partnership Grant	28
20	Monthly Financial Report	32
21	City Administrator Report	32
22	Mayor Report	41
23	Public Comment	44
24	Board Comment	53
25	Adjournment	54 -

1 Pontiac, Michigan -

2 Wednesday, March 16, 2016 -

3 1:00 p.m. -

4 THE CHAIRPERSON: Okay. Good afternoon. -

5 It's 1:00 p.m. and I'll call to order the City of -

6 Pontiac Receivership Transition Advisory Board meeting -

7 for Wednesday, March 16th, 2016. -

8 Mr. Van De Grift, roll call. -

9 MR. VAN DE GRIFT: Douglas Bernstein? -

10 MR. BERNSTEIN: Present. -

11 MR. VAN DE GRIFT: Robert Burgess? -

12 MR. BURGESS: Present. -

13 MR. VAN DE GRIFT: Keith Sawdon? -

14 MR. SAWDON: Here. -

15 MR. VAN DE GRIFT: Edward Koryzno? -

16 THE CHAIRPERSON: Here. -

17 MR. VAN DE GRIFT: All present. -

18 THE CHAIRPERSON: Now, a reminder to the -

19 public: If you wish to speak during the public comment -

20 portion of the meeting, it's necessary for you sign the -

21 sign-up sheet that's located at the podium. If you do -

22 not sign the sheet, unfortunately you will not be -

23 recognized. -

24 Item B, Approval of Agenda, I'll entertain a -

25 motion to approve the agenda as presented. -

1 MR. BURGESS: I'll make that motion.-
2 MR. SAWDON: Support.-
3 THE CHAIRPERSON: Moved by Burgess, supported -
4 by Sawdon. Any discussion?-
5 Seeing none, all in favor of the motion say -
6 "aye".-
7 BOARD MEMBERS: Aye.-
8 THE CHAIRPERSON: Opposed, same sign.-
9 The motion is approved.-
10 Item C, Approval of Minutes. I'll entertain -
11 a motion to approve the RTAB minutes for the meeting of -
12 February 17th, 2016 as presented.-
13 MR. BERNSTEIN: I'll make that motion.-
14 MR. BURGESS: Support.-
15 THE CHAIRPERSON: Moved by Bernstein, -
16 supported by Burgess.-
17 MR. SAWDON: Discussion.-
18 THE CHAIRPERSON: Yes?-
19 MR. SAWDON: Own Page 5, I noticed one small -
20 item that I think needs to be changed. It says "The -
21 Court" and I think it should say "The Chairperson." -
22 Other than that, I'm fine.-
23 THE CHAIRPERSON: Thank you.-
24 Any other comments?-
25 Seeing none, this would be approval of the -

1 minutes with the addition as amended. -
2 So all in favor of the motion say "aye". -
3 BOARD MEMBERS: Aye. -
4 THE CHAIRPERSON: Opposed, same sign. -
5 The minutes are approved with the amendment. -
6 Item II, Old Business, there is none. -
7 So we'll move on to Item III, New Business, -
8 Item A Approval of Resolutions and Ordinances for City -
9 Council Meetings. -
10 Item 1, February 4th, 2016 regular meeting. -
11 I'll entertain a motion to approve all ordinances and -
12 resolutions from the February 4th, 2016 regular City -
13 Council meeting. -
14 MR. SAWDON: I'll make the motion but I would -
15 like to make the exception of Resolution 16-24 and -
16 16-25. -
17 MR. BURGESS: Support. -
18 THE CHAIRPERSON: Moved by Sawdon, support by -
19 Burgess. Discussion? -
20 For the information of the audience, -
21 Resolution 16-24 was the appointment of -- to the GERS -
22 Board of Kevin Williams and Resolution 16-25 is the -
23 appointment to the GERS Board, James A. Walker, Senior. -
24 Discussion? -
25 Seeing none, all in favor of the motion say -

1 "aye". -

2 BOARD MEMBERS: Aye. -

3 THE CHAIRPERSON: Opposed, same sign. -

4 The motion is approved. -

5 Next item is Resolution 16-24, appointment to -

6 GERS Board, Kevin Williams. City Council passed a -

7 subsequent resolution on February 18th, 2016 regarding -

8 this appointment. Due to the subsequent action taken -

9 by City Council, this resolution is rescinded and -

10 therefore should be denied by the Board. -

11 MR. SAWDON: Motion to deny. -

12 MR. BURGESS: Support. -

13 THE CHAIRPERSON: Moved by Sawdon, support by -

14 Burgess. Any discussion? -

15 Seeing none, all in favor of the motion say -

16 "aye". -

17 BOARD MEMBERS: Aye. -

18 THE CHAIRPERSON: Opposed, same sign. -

19 The motion is approved. -

20 Item B, Resolution 16-25, appointment to GERS -

21 Board, James A. Walker, Senior. -

22 MR. VAN DE GRIFT: Pardon me, Mr. Chair. The -

23 motion was denied. -

24 THE CHAIRPERSON: Oh, it was denied. I'm -

25 sorry. Thank you. -

1 MR. VAN DE GRIFT: The resolution was denied, -
2 the motion was approved. -

3 THE CHAIRPERSON: Thank you. Thank you. -

4 Item B, Resolution 16-25, appointment to GERS -
5 Board, James A. Walker, Senior, again, the same -
6 conditions as the prior item apply; City Council passed -
7 a subsequent resolution on February 18th, 2016 -
8 regarding this appointment. Due to the subsequent -
9 action taken by City Council, this resolution is -
10 rescinded, therefore it should be denied by the Board. -

11 I'll entertain a motion. -

12 MR. SAWDON: Motion to deny. -

13 MR. BURGESS: Support. -

14 THE CHAIRPERSON: Moved by Sawdon, supported -
15 by Burgess to deny. Is there any discussion? -

16 Seeing none, all in favor of the motion say -
17 "aye". -

18 BOARD MEMBERS: Aye. -

19 THE CHAIRPERSON: Opposed, same sign. -

20 The motion to deny is approved. -

21 Next item, Item 2, is the February 11th, 2016 -
22 regular meeting and I'll entertain a motion. -

23 MR. SAWDON: A motion to approve those -
24 minutes with the exception of Resolution 16-31 and -
25 16-32. -

1 MR. BURGESS: Support.-

2 THE CHAIRPERSON: Moved by Sawdon, support by -
3 Burgess. Again, for the edification of the audience, -
4 Resolution 16-31 is Ordinance for Early Retirement -
5 Benefits and Resolution 16-32 is Resolution for Early -
6 Retirement Benefits.-

7 Any discussion? -

8 Seeing none, all in favor of the motion say -
9 "aye". -

10 BOARD MEMBERS: Aye.-

11 THE CHAIRPERSON: Opposed, same sign.-

12 The motion is approved.-

13 Item A, Resolution 16-31, ordinance for early -
14 retirement benefits. It's my understanding that -
15 approving this action will create up to a \$9 million -
16 liability for the retirement system and I believe a -
17 decision by this Board should be deferred until we -
18 know, the Board knows, what the global settlement is -
19 regarding the City of Pontiac Retired Employees -
20 Association versus the City and the impact of this on -
21 that. So I'll entertain a motion.-

22 MR. BERNSTEIN: So move.-

23 MR. BURGESS: Second.-

24 THE CHAIRPERSON: Moved by Bernstein, support -
25 by Burgess.-

1 Further discussion from any Board Members? -
2 MR. SAWDON: The motion is to postpone? -
3 MR. BERNSTEIN: Yes. -
4 MR. SAWDON: Okay. -
5 THE CHAIRPERSON: Seeing none, all in favor -
6 of the motion say "aye". -
7 BOARD MEMBERS: Aye. -
8 THE CHAIRPERSON: All opposed, same sign. -
9 The motion to postpone is approved. -
10 Next item is Item B, Resolution 16-32, the -
11 resolution for early retirements. And I would state -
12 that the same applies for this particular item as well; -
13 the potential liability up to \$9 million and the -
14 unknown impact on the -- any settlement with regards to -
15 the current lawsuit between the retirees and the City -
16 of Pontiac. So I will entertain a motion. -
17 MR. BERNSTEIN: I'll make that motion. -
18 MR. BURGESS: Support. -
19 THE CHAIRPERSON: Moved by Bernstein, support -
20 by Burgess. Any discussion? -
21 Seeing none, all in favor of the motion say -
22 "aye". -
23 BOARD MEMBERS: Aye. -
24 THE CHAIRPERSON: Opposed, same sign. -
25 The motion to postpone is approved. -

1 Item 3, the February 18, 2016 regular meeting -
2 minutes. I'll entertain a motion. -
3 MR. SAWDON: Motion to approve with exception -
4 of 16-42 and Resolution 16-43. -
5 MR. BURGESS: I support. -
6 THE CHAIRPERSON: Moved by Sawdon, support by -
7 Burgess to approve with the exception of Resolution -
8 16-42, which is appointment to GERS Board of -
9 Kevin Williams and Resolution 16-43, appointment to the -
10 GERS Board, James A. Walker, Senior. Discussion? -
11 Seeing none, all in favor of the motion say -
12 "aye". -
13 BOARD MEMBERS: Aye. -
14 THE CHAIRPERSON: Opposed, same sign. -
15 The motion is approved. Item A, Resolution -
16 16-42, appointment to the GERS Board, Kevin Williams. -
17 City Council, again, passed a second subsequent -
18 resolution on March 10th, 2016 regarding this -
19 appointment. Due to that subsequent action taken by -
20 City Council, this resolution is also rescinded and -
21 therefore should be denied by the Board. And I'll -
22 entertain a motion. -
23 MR. SAWDON: Motion to deny. -
24 MR. BURGESS: I support. -
25 THE CHAIRPERSON: Moved by Sawdon, support by -

1 Burgess to deny. Discussion? -
2 Seeing none, all in favor of the motion say -
3 "aye". -
4 BOARD MEMBERS: Aye. -
5 THE CHAIRPERSON: Opposed, same sign. -
6 The motion to deny is approved. -
7 Item B Resolution 16-43, appointment to GERS -
8 Board, James A. Walker, Senior. Again, City Council -
9 passed a second subsequent resolution on March 10, 2016 -
10 regarding this appointment. Due to the subsequent -
11 action taken by City Council, this resolution is also -
12 rescinded and therefore should be denied by the Board. -
13 MR. BURGESS: I so move. -
14 MR. SAWDON: Support. -
15 THE CHAIRPERSON: Moved by Burgess, support -
16 by Sawdon to deny. Discussion? -
17 Seeing none, all in favor of the motion say -
18 "aye". -
19 BOARD MEMBERS: Aye. -
20 THE CHAIRPERSON: Opposed, same sign. -
21 The motion to deny is approved. -
22 Item 4 the February 23, 2016 special meeting -
23 minutes. On this date, there was a special meeting, -
24 however, no resolutions were adopted, therefore no -
25 Board action was necessary. -

1 Item 5, March 3, 2016, regular meeting -
2 minutes, I'll entertain a motion to approve all the -
3 minutes, ordinances and resolutions from the -
4 January 28th -- excuse me -- the March 3rd regular City -
5 Council meeting. -

6 MR. BURGESS: I'll make that motion. -

7 MR. BERNSTEIN: Second. -

8 THE CHAIRPERSON: Moved by Burgess, support -
9 by Bernstein. Any discussion? -

10 MR. SAWDON: Discussion: There were a couple -
11 items on the adoption of resolutions by City Council -
12 that I wondered if we could get some additional -
13 information on. One of the items was the City Attorney -
14 attending City Council meetings. I just wondered if -
15 you had a -- what impact that would have on the -
16 budgets. -

17 MR. SOBOTA: We've done some calculations and -
18 find that, if the attorney spends three hours a week, -
19 cost is just around \$20,000. We had appropriated -
20 approximately \$25,000 to City Council to use for -
21 attorney services, so it falls within the -
22 appropriation. -

23 MR. SAWDON: Okay. Thank you. The other -
24 item was the settlement of the pending lawsuit. Can -
25 you just give us some background because there was not -

1 very much in the minutes, as we'd suspect.-

2 MR. SOBOTA: The date of injury was -
3 approximately September 28th, 2009 and the City stopped -
4 paying workers' comp due to a dispute a couple years -
5 later, so that was in 2011, I believe. And since that -
6 time that now former employee has not been receiving -
7 any workers' comp, there has been some ongoing medical -
8 examinations, back and forth, back and forth, so our -
9 attorney believes that, at this time, it would be in -
10 the best interest of the City and all parties involved -
11 to settle the dispute on workers' comp but to leave the -
12 medical portion open while that issue is resolved. So -
13 we are only proposing a settlement for the workers' -
14 comp portion of the claim and the medical portion will -
15 remain open and that will be revisited at a later time.-

16 MR. SAWDON: Thank you.-

17 THE CHAIRPERSON: Any further questions for -
18 Mr. Sobota or discussion?-

19 Seeing none, all in favor of the motion say -
20 "aye".-

21 BOARD MEMBERS: Aye.-

22 THE CHAIRPERSON: Opposed, same sign.-

23 The motion -- or the regular meeting minutes -
24 of March 3rd are approved.-

25 Item 6, GERS Board appointments.-

1 Mayor Waterman, could you provide a summary -
2 for the Board of this -- your request for the -- this -
3 item. -

4 MAYOR WATERMAN: The item on the -- my report -
5 is a carryover from last month's RTAB meeting when I -
6 brought information regarding an action I took after -
7 the first set of resolutions regarding appointment of -
8 these two people that have been mentioned were brought -
9 to you. -

10 Since then, that has been renewed, as you see -
11 by the fact that the Charter said that the Mayor cannot -
12 make any veto -- unilateral veto he calls it. I'm not -
13 sure what that is but a unilateral veto concerning -
14 appointments by the Council. So the action that I had -
15 to -- was going to approach you about at the last RTAB -
16 meeting is gone to moot by the fact that there have -
17 been two other sets of resolutions which you have -
18 addressed in New Business here. -

19 As you go into this last set of resolutions -
20 that have come forward to you -- and this is a very -
21 convoluted process as you've seen from trying to -
22 unravel all this but one of the things, in terms of -
23 determining what your decision will be, I ask you to -
24 consider the stabilization of the GERS Board. -

25 Right now, all of this happening has really -

1 destabilized board functioning and this has started by -
2 the fact that there has been this contention between -
3 the Council and the TAB boards about the eligibility of -
4 certain members who now -- who have served for a year -
5 and a half now on the GERS Boards. -

6 If the action is carried out to now, as -
7 Counsel has conceded by the last resolution that they -
8 passed March 10th that they now concede the fact that -
9 the RTAB has the authority to ratify and, thus, confirm -
10 eligibility of appointments, then that renders the -
11 previous appointments. If they are considered -
12 ineligible, that ineligibility will extend back for a -
13 year and a half that they have served. -

14 This will mean that the GERS Board will be -
15 obligated to go back and look at all the decisions and -
16 the votes that have been taken in that year and a half -
17 to consider whether or not they may have been adversely -
18 affected by votes of people who are considered -
19 ineligible. That is going to be a very destabilizing -
20 fact for the GERS Board, as you understand. -

21 So, in addition to the fact, there are -
22 several other things that have happened. In the last -
23 few months, the Portfolio Manager has resigned. He was -
24 under SEC investigation and resigned, maybe not due to -
25 that. -

1 Secondarily, suddenly the Executive Director -
2 resigned with thoughts and processions that he should -
3 share which represents function of the GERS Board. -

4 Thirdly, we find out -- as Counsel has now -
5 changed its position regarding the eligibility -
6 requirements for GERS appointments, we now see that --

7 Can you advance that? -

8 And the New Chair --

9 Go on down, please. We're going to go to the -
10 next -- go on down. -

11 Okay. We now see that it was the attorney -
12 purportedly working on behalf of the GERS Board --

13 Go on down, please. -

14 -- who -- and maybe this is some of Counsel's -
15 confusion -- but had actually been advising the Council -
16 on persisting in their acquisition to the RTAB's -
17 authority to claim eligibility or to confirm the -
18 nominees. So that might have been part of the -
19 confusion of the Council, which after all this time has -
20 now readdressed this and has said that they now accept -
21 RTAB's authority to claim -- to affirm eligibility. So -
22 that's the conundrum we're in right now. -

23 And the letter that I have here is from the -
24 GERS Board attorney addressed to Council President, -
25 indicating she has actually drafted the letter that was -

1 to be sent to the RTAB and indicating that she is to -
2 provide a copy of her correspondence dated July 30th -
3 and she will note, also, that she is the one who has -
4 kind of engineered some of the thinking regarding -
5 Council's insistence that they are opposed to the RTAB -
6 declaring eligibility. -

7 So this is just once you stabilize somebody -
8 who you know supposedly to represent the GERS Board -
9 instead is now advising Council and end up paying in -
10 the matter of which Counsel itself has now rejected. -
11 So all of this has gone on. -

12 And, as we are going through OPEB mediation, -
13 the instability this has brought and all these things -
14 to the GERS Board is something we're seeking to -
15 restabilize in ways. The new Board Chair has brought -
16 to us, in the spirit of openness, he wants to be in -
17 cooperation with the City more in affirming eligibility -
18 for members and not to continue to give benefits to -
19 those who are dead, for example, just because there -
20 wasn't that exchange of information between the City. -

21 So I ask whatever action, amongst the many -
22 options that are available to you, that you choose the -
23 one that does not further stabilize, make us go back -
24 and relook at all of the voting that has been done for -
25 the past year and a half, if you still continue the -

1 ineligibility of those members who now the Council can -
2 see the RTAB has the authority to confirm. So that is -
3 a summary of that. It's been a convoluted process. -

4 As you can see, I did include --

5 Go back to the letter from John Clark, -
6 please, Jane. -

7 With one I was going to address with you last -
8 month, I was going to include the thinking from the -
9 attorney who said -- go down so they can see the -
10 subject matter -- who I -- when I asked him when the -
11 first set of resolutions had passed, I asked him to -
12 give me his opinion on the viability or the efficacy of -
13 this resolution. -

14 And he stated that the resolution was fatally -
15 flawed on several points, one of which the resolution -
16 stated that the GERS Board had actually recommended -
17 these two people to be appointed. And, in fact, that -
18 was a false premise. The GERS Board had never known -
19 about it or had never even discussed it, to my -
20 knowledge. -

21 So, on the basis of that, the first -
22 resolution was flawed. Now, although when I presented -
23 this to the Council meeting and which that first -
24 resolutions were considered, the -- a couple of the -
25 council members, number one, didn't like the fact that -

1 I had brought it up and they wanted to decide that in -
2 closed session, they were told. And, secondarily, they -
3 said they didn't like the attorney's opinion and we -
4 should get a new attorney. -

5 But, subsequently, you can see that the -
6 attorney's advice was reconsidered because, in the -
7 subsequent two sets of resolutions, they did change -
8 that and that was one of the things they did change but -
9 there were other questions that the attorney brought to -
10 mind and you can go on up to the other two talking -
11 points, in terms of the veto, that he gave me that -
12 still remained unsolved and it's a question of whether -
13 those had been resolved by the third set of resolution -
14 that is before you now. -

15 So I hope that is -- I don't know whether -
16 that's any clearer than it was before but it has been a -
17 very convoluted process and I just ask you to consider -
18 something that will not destabilize the GERS Board -
19 further. Thank you. -

20 THE CHAIRPERSON: Any questions for -
21 Mayor Waterman? -

22 MR. SAWDON: No. -

23 THE CHAIRPERSON: All right. Thank you, -
24 Mayor. Mr. Sobota, the City Council had requested that -
25 you bring forward a resolution regarding the -

1 appointment of the two proposed members for the GERS -
2 Board, two individuals for the GERS Board. And it was -
3 requested that it be brought forward because of a -
4 timeliness issue. Could you provide us an explanation -
5 as to what the timeliness issue is? -

6 MR. SOBOTA: Well, as you have heard, there -
7 has been some disagreement as to who is an actual -
8 seated member of the GERS Board for the last year and a -
9 half. And, if this resolution -- or if these -
10 resolutions, as presented by City Council, are approved -
11 at today's meeting, then, at the GERS Board meeting -
12 next week, this question will have been resolved. -

13 So the request was made to bring this forward -
14 so that the confusion, disagreement, however you want -
15 to describe it, will have been settled by action of -
16 this Board, assuming that the Board acted in the -
17 affirmative in approving the two names that have been -
18 presented before you today. -

19 THE CHAIRPERSON: But, so the timeliness -
20 issue does not concern a lack of a quorum or -- to -
21 conduct business or anything of that nature, it's more -
22 or less just the desire to resolve this issue. -

23 MR. SOBOTA: To my knowledge, this leaves the -
24 Board with nine of eleven members. If we continue -
25 along the position we've had for the last year and a -

1 half, two years, however long it's been -- and a -
2 quorum, I believe, is six and I don't believe there has -
3 been any problem having six members attend a GERS Board -
4 meeting; I've been unaware of anything like that. -

5 THE CHAIRPERSON: All right. Thank you. Any -
6 questions from the Board for Mr. Sobota? -

7 All right. We have a motion -- or excuse -
8 me -- we have an issue before us. The first issue is -
9 to consider renewal of the motion to appoint -
10 Mr. Kone' Bowman to the GERS Board. -

11 Mr. Bowman's appointment came up in a -
12 resolution a year ago and that vote resulted in a tie -
13 and so the motion failed under the Board procedures. -
14 This can be a renewal if the Board so desires to -
15 reconsider his appointment to the GERS Board. -

16 In order to do that, a first vote would be -
17 a -- a motion and a support to reconsider, renew that -
18 appointment. If that passes, then there would be an -
19 actual vote on his appointment. So, given those -
20 circumstances, does the Board have any questions for -
21 me, as Chair, regarding this? -

22 MR. SAWDON: I'd like to go ahead and make a -
23 motion. -

24 Motion to renew or reconsider Resolution -
25 14-454. -

1 MR. BURGESS: I support.-

2 THE CHAIRPERSON: Moved by Sawdon, support by -
3 Burgess to entertain a motion to renew the motion from -
4 December 16th, 2014 where a City Council Resolution -
5 14-454 reappointment to the GERS Board Kone' Bowman was -
6 considered. Discussion? -

7 Seeing none, all in favor of the motion say -
8 "aye". -

9 BOARD MEMBERS: Aye. -

10 THE CHAIRPERSON: Opposed, same sign. -

11 The motion is approved. Now, that was the -
12 motion to renew. The next motion is -- would be a -
13 motion to approve, deny, postpone Resolution 14-454, -
14 reappointment of Mr. Bowman. -

15 MR. SAWDON: Motion to approve. -

16 MR. BURGESS: I support. -

17 THE CHAIRPERSON: Been moved by Sawdon, -
18 support by Burgess to approve Mr. Bowman's appointment. -
19 Discussion? -

20 Seeing none, all in favor of the motion say -
21 "aye". -

22 BOARD MEMBERS: Aye. -

23 THE CHAIRPERSON: Opposed, same sign. -

24 Mr. Bowman is appointed to the GERS Board. -

25 The next item is to entertain a motion to -

1 postpone the Resolution of 16-66, appointment to GERS -
2 Board Kevin Williams and James Walker, Junior as City -
3 Council has put forward two names and, because of the -
4 action just taken by the City Council -- or by the RTAB -
5 Board, there's one vacancy available so I would ask -
6 that the Board send this back to City Council for their -
7 recommendation as to who -- which of those two -
8 individuals they wish to put forward. -

9 MR. BERNSTEIN: I'll make that motion. -

10 MR. BURGESS: I support. -

11 THE CHAIRPERSON: Moved by Bernstein, support -
12 by Burgess. Discussion? -

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

15 BOARD MEMBERS: Aye. -

16 THE CHAIRPERSON: Opposed, same sign. -

17 The motion to refer this matter back to City -
18 Council for their recommendations as to one of the two -
19 individuals is approved. -

20 Item 7, Emergency Manager Order S-334 -
21 Amendment. I want to bring to the Board's attention -
22 that the amendment in your packet for the job -- the -
23 language for the amendment refers to the first -
24 reference to the development -- which should be the -
25 Economic Development Director is the Community -

1 Development Director. So Economic Development Director -
2 should read consistently throughout that -- that -
3 paragraph. -

4 I'll give you a moment to --

5 MR. SAWDON: So Paragraph A and B should read -
6 the same --

7 THE CHAIRPERSON: Yeah. -

8 MR. SAWDON: -- in terms of title? -

9 THE CHAIRPERSON: Yes. -

10 MR. SAWDON: All right. Thank you. -

11 THE CHAIRPERSON: Mayor Waterman, could you -
12 provide a summary of this matter for the Board, please. -

13 MAYOR WATERMAN: Yes, I do. And you're --
14 regarding the economic development --

15 THE CHAIRPERSON: Correct. -

16 MAYOR WATERMAN: -- issue? -

17 Okay. Pending last month's RTAB meeting, -
18 when the RTAB did approve the recommendations from the -
19 annual evaluation, including the fact that we made -
20 great strides and we're ready to move forward, both -
21 Deputy Mayor and other staff that took that into stride -
22 along with further conversation we've had with the -
23 Treasury Department and how we could be prepared for -
24 further movement as Pontiac moved back -- moved through -
25 the transition, one of the things we realized was that -

1 it was very important for us to have a good economic -
2 development staff, ready to assume the responsibilities -
3 posed by both economic development plan plus the needs -
4 of the City to have economic and community development. -

5 To that end, as we know, that Mr. Sobota now -
6 holds that title of Community Development Director and, -
7 if we are to move forward and if that position is then -
8 reframed, then we will need to have someone who is in -
9 that position to be able to carry on those functions -
10 and to be able to assist City government. -

11 To that end, I have given before you an -
12 updated version of a job description for such an -
13 Economic Development Director. Of course because we -
14 have not moved to that point where we actually have -
15 dates for that transitioning to happen, we don't, -
16 actually, have started the process to identify someone -
17 to fill that position. So this is put in as a -
18 placeholder to understand that this is the job -
19 description that we will be looking for, so that you -
20 can approve that. -

21 We already have the amount identified in the -
22 budget as well as the fact that it is in one of the job -
23 items that had a budgeted line item salary range that -
24 is included and is considered in the budget. So that's -
25 already decided. It's just the name and a face and so -

1 this will be the placeholder. And, as we -- they'll -
2 authorize us to begin that process at the proper point -
3 in the transition and then when we have the name, then -
4 we will so present it to the RTAB, too, in this -
5 placeholder position. -

6 THE CHAIRPERSON: Any questions for -
7 Mayor Waterman? -

8 Thank you. -

9 The proposed change to the Emergency Manager -
10 Order would remove the appointment of the Economic -
11 Development Director position from the City -
12 Administrator, place that under the purview of the -
13 Mayor, allows that position to set the salary range, -
14 define the job description and to hire that individual. -

15 So I -- I will entertain a motion. -

16 MR. BERNSTEIN: I'll make that motion. -

17 MR. BURGESS: I support. -

18 THE CHAIRPERSON: Moved by Bernstein, support -
19 by Burgess. -

20 Discussion? -

21 Seeing none, all in favor of the motion say -
22 "aye". -

23 BOARD MEMBERS: Aye. -

24 THE CHAIRPERSON: Opposed, same sign. -

25 The motion is approved. -

1 Excuse me. And this is a motion to -
2 recommended to the State Treasurer? -

3 MR. SAWDON: Right. -

4 THE CHAIRPERSON: Item B, City Administrator -
5 Items, Item 1, Rejection of Ordinance to grant pension -
6 to former City employees was addressed in New Business. -

7 Item 2, Resolution from City Council Meeting -
8 of March 3, 2016, addressed in New Business. -

9 Item 3, submittal of application for MSHDA -
10 Statewide Partnership Grant. -

11 Mr. Sobota? -

12 MR. SOBOTA: A few months ago, the Board -
13 approved an application for a grant for the Congress -
14 for New Urbanism. At that time, we represented that -
15 there would be a \$15,000 cost to the City and then the -
16 balance would be covered by this Congress for New -
17 Urbanism. -

18 After that grant had been applied for, we -
19 learned that the Congress for New Urbanism needed to -
20 have a grant pay for their expenses and they could not -
21 apply for it so they requested the City of Pontiac to -
22 make application to MSHDA to cover the cost for the -
23 Congress for New Urbanism. -

24 The City still has a \$15,000 cost but the -
25 cost for the Congress for New Urbanism, which -

1 originally we believe would be covered by them, action -
2 needs to be covered by this grant from MSHDA that we -
3 had already made application for on February 22nd. -

4 So this is significantly after the fact that -
5 we are requesting formal permission to make application -
6 to MSHDA to apply for a grant to cover the cost of the -
7 Congress for New Urbanism, which would be developing a -
8 plan to reimage downtown. -

9 THE CHAIRPERSON: Any questions for -
10 Mr. Sobota from the Board? -

11 MR. SAWDON: Motion to approve. -

12 MR. BERNSTEIN: Second. -

13 THE CHAIRPERSON: Moved by Sawdon, support by -
14 Bernstein to approve. -

15 Discussion? -

16 Seeing none, all in favor of the motion say -
17 "aye". -

18 BOARD MEMBERS: Aye. -

19 THE CHAIRPERSON: Opposed, same sign. -

20 The motion is approved. -

21 Item C, Mayor Items. Item 1, McLaren Oakland -
22 Offer to Purchase. This is informational only. -

23 MAYOR WATERMAN: I just saw some McLaren -
24 Board members here so I just wanted to make sure that I -
25 wasn't speaking in their stead. But this is also a -

1 carryover item from the last meeting of the RTAB. As -
2 you recall, I had this on my Mayor's report at that -
3 point. And the Mayor -- because the City Administrator -
4 had this on the purview and this ability falls under -
5 his authority, I did ask us to go back and to reconvene -
6 and to consider that in consideration with the City -
7 Administrator over the last month. -

8 I'm bringing it back because I will report to -
9 you that, despite my attempts to do so, still the City -
10 Administrator had been very inscrutable in his actions -
11 in this regard. So I still -- we don't have a -
12 definitive action for you, to my dismay, because I -
13 think there were some assurances made to McLaren in -
14 previous negotiations. -

15 This has been going on for six months and one -
16 of the things that I think is regrettable is that -- we -
17 are doing that reimaging of our downtown -- that -
18 McLaren has been one of the major players in that, one -
19 of the major angles for the City. It is the third -
20 highest employer in the City as well as the fact that -
21 they have been quite influential and helpful as we have -
22 advanced the City in terms of economic development as -
23 well as just healthcare for our citizens of which I -
24 have a personal interest, being a healthcare -
25 practitioner by training. -

1 But these are the points I just want to make. -
2 I bring it back here. The fact that one of the things -
3 that's been a detriment, a hindrance to moving forward, -
4 is that when the RTAB and the Treasury placed the City -
5 Administrators in place, they had certain authorities -
6 and they had certain actions and they had certain -
7 powers. And where these actions -- and they have -
8 chosen to apply these arbitrarily or inconsistently, as -
9 this seems to be the case, it throws the City into a -
10 big quandary. It also has us lose faith with those who -
11 have attempted to support our progress and it also -
12 doesn't restore the faith, the faith in Pontiac's -
13 economic development prowess or the goodwill and faith -
14 of the community as a whole. -

15 I think these people were told that, if they -
16 met a certain threshold for this purchase, that it -
17 would be theirs because it was so ordered in the S-334. -
18 And, as I'm showing you, the documentation is this is -
19 one of the properties that had already been -
20 demonstrated by the Emergency Manager that, if there -
21 was a threshold met, then it could be transferred. -

22 Of course it was put in there, in this -
23 document that I gave you. But the City Administrator -
24 had some arbitrary decision-making over that. He has -
25 chosen to use that in a way that we find inscrutable. -

1 I don't understand. I have no information for you. -

2 But I think the RTAB, because although he's -
3 listed as a City employee, he's not reportable, -
4 responsible to me, he's responsible to you. And so, if -
5 any undue influence you can apply on the City -
6 Administrator, I do bring this again to your attention -
7 because that is a hindrance to the City, in terms of -
8 economic development and I would just like to so inform -
9 you that that is the case. -

10 The City Administrator may have further -
11 information he wants to share with you. He certainly -
12 has not shared it with me or, to this extent, with -
13 being a soundboard, and I just represent what the -
14 conversations have been that I know of thus far. -

15 Similarly, the second issue, the duck pond, -
16 that is a RACER Trust property that certainly was -
17 transferred to us and is a great value to the City -
18 because we want to use it as a storage yard for our -
19 vehicles. We have lost the previous storage yard from -
20 the DPW, it was over on Wesson Street, we no longer -
21 have it. -

22 We are now parking large dump trucks in front -
23 of City Hall, for a lack of place to store these, and -
24 where they can be repaired or kept safe. So this is a -
25 simple matter to me. And the City Administrator had -

1 given his assurance that everything was moving forward -
2 until all of a sudden there is just a complete reversal -
3 that nobody understanding what this is all about, -
4 including the DPW Director. -

5 So -- because it's he's not reportable to me, -
6 I just report it to you and you could see if you want -
7 to have him give you any other answer or that keep -
8 having it on the agenda here, we'll allow you to take -
9 any action in that regard. -

10 THE CHAIRPERSON: Thank you, Mayor. -

11 Item IV, Nonaction items, Item A, Financial -
12 Report attached. -

13 Item B, City Administrator -- well, -
14 Mr. Nazarko, you didn't jump up so I wasn't sure. -

15 MR. NAZARKO: Good afternoon. I have nothing -
16 to add to the financial reports I have presented to -
17 you. -

18 THE CHAIRPERSON: All right. Any questions -
19 from the Board for Mr. Nazarko? -

20 MR. SAWDON: No. -

21 THE CHAIRPERSON: All right. Thank you. -

22 MR. NAZARKO: Thank you. -

23 THE CHAIRPERSON: Item B, City Administrator -
24 Report. -

25 MR. SOBOTA: Up until about a couple of weeks -

1 ago, it had been close to a year before I had any -
2 discussions -- last had any discussions with McLaren -
3 over the proposed sale of the lot. I was unable to -
4 have any meetings scheduled. -

5 Finally, after the last TAB meeting, a -
6 representative from McLaren did meet with me. I asked -
7 for some additional information. I am in the process -
8 of reviewing that information along with some other -
9 historical information that I am aware of when -
10 discussions began with Mr. Schimmel several years ago. -
11 So, once I complete my review, I will be able to render -
12 a decision on the proposed sale of Lot 1 AP. -

13 In regards to the duck pond, I know that I --
14 my decision in this matter is completely against that -
15 of -- opposite that of the Mayor and the DPW Director. -
16 I believe that the -- I requested all the information -
17 as possible, did due diligence on the property, in -
18 terms of assessment of the physical structure, -
19 estimated operating cost, proposed use of the facility. -
20 There's no problems with the physical structure itself. -

21 The estimated operating costs that have been -
22 provided by the DPW Director are reasonable, they've -
23 been included in the Mayor's budget proposal for the -
24 future fiscal year. I also requested from RACER a copy -
25 of the environmental. -

1 I do note that there are some small minor -
2 environmental concerns on the property. And, as a -
3 result, there will be restrictions. Specifically, they -
4 do not want to have the grounds disturbed. In other -
5 words, if the facility in the future outgrows its -
6 usefulness because there has been discussion to bring -
7 back DPW to a level, we would not be able to use that -
8 facility to the level that we had before. -

9 Our prior DPW facility was also on a polluted -
10 piece of property at a worse degree than what this one -
11 is and I believe that we have not yet had a firm -
12 recommendation as to what the future of the DPW will be -
13 in the City of Pontiac. -

14 Once that is completed, then we should do a -
15 site assessment at that time. In terms of the property -
16 itself, it is in a reverter clause, as the City used to -
17 own this property, RACER is willing to return the -
18 property to the City, clear all of the facilities and -
19 restore soil to a grassy condition. -

20 I have been in contact with the City Attorney -
21 and he believes that the City can reject this property. -
22 In addition to re -- receiving this property, the City -
23 would be receiving two other pieces of property just to -
24 the west of the facility that the City will also be -
25 responsible for maintaining. We will not be able to -

1 sell them because they're non-usable land.-

2 Under the Final Order, I do have the -
3 authority to make this decision. So, essentially, I -
4 had voiced to the Mayor and the DPW Director that I -
5 didn't believe that this was in the best interest of -
6 the City so I was not going to be approving this.-

7 However, the City Council also has the -
8 ability to accept property and, I believe, at some -
9 point in the near future, that request will be -
10 forwarded to the City Council and they will probably -
11 consider and then this action will be brought to the -
12 Board for final approval.-

13 But that's where I stand at this time on the -
14 issue of the property commonly known as the duck pond.-
15 Other than that, I have nothing to report.-

16 THE CHAIRPERSON: Any questions for -
17 Mr. Sobota from the Board? -

18 MR. SAWDON: No. -

19 MR. BERNSTEIN: Please. -

20 THE CHAIRPERSON: Yes? -

21 MR. BERNSTEIN: Mr. Sobota, could you give an -
22 idea so the people from McLaren may have an idea of -
23 timeframe what we're looking at? -

24 MR. SOBOTA: I believe by the end of the -
25 month, definitely.-

1 MR. BERNSTEIN: Okay. -

2 MR. SOBOTA: I had a couple other items come -
3 up on the priority list, if you will. -

4 MR. BERNSTEIN: Okay. -

5 MR. SOBOTA: So it is still sitting at the -
6 top of my inbox but I've got some rather thick reports -
7 that I have to go through and do some analysis on it. -

8 MR. BERNSTEIN: Got it. Thank you. And, -
9 secondly, as to the duck pond, is it -- is it simply a -
10 case where the detrement outweigh the benefits? -

11 MR. SOBOTA: In my opinion, I believe they -
12 do. However, obviously, there are opinions that differ -
13 with that. -

14 MR. BERNSTEIN: Of course. -

15 MR. SOBOTA: So I would -- if City Council -
16 wants to take the matter up, they can take that matter -
17 up at that time with the same information that has been -
18 already presented to me. -

19 MR. BERNSTEIN: But is it acknowledged that -
20 there's an issue, as far as storage for the City? -

21 MR. SOBOTA: No. -

22 MR. BERNSTEIN: Okay. -

23 MR. SOBOTA: We presently do store our -
24 vehicles in an old fire station. We also have the -
25 ability to store our salt trucks at the Oakland County -

1 yards. So we do have a -- a place to store vehicles at -
2 this time, especially during off season, we're able to -
3 utilize the Oakland County storage yards as they -
4 originally were given all of the salt plows. So we do -
5 have that availability. -

6 MR. BERNSTEIN: And that's at no cost, I -
7 assume. -

8 MR. SOBOTA: That's at no cost to us other -
9 than the fact when the vehicles are damaged and needs -
10 to be repaired by us, the City is responsible for the -
11 maintenance cost of those vehicles. -

12 MR. BERNSTEIN: Thank you. -

13 THE CHAIRPERSON: Thank you, Mr. Sobota. -

14 Mayor Waterman, do you have comments? -

15 MAYOR WATERMAN: Some of that information is -
16 suspiciously incorrect. If you would like to have a -
17 more correct assessment, the DPW Director is right here -
18 and I would ask that he be allowed to give you the -
19 correct information. -

20 Would you step forward, Mr. King? The -
21 Deputy Mayor has also researched this and she is -
22 already very much in support of this and we're both in -
23 consternation that Mr. Sobota finds himself at odds -
24 with all of us. -

25 MR. KING: Good afternoon. -

1 THE CHAIRPERSON: Good afternoon. -

2 MR. KING: When the financial manager, -
3 Louis Schimmel, got rid of the Wesson yard, it left us -
4 with an inability to store necessary equipment where it -
5 allows any normal DPW to be able to access in a -
6 moment's notice, as we all do in operation; that's what -
7 we're all responsible for. -

8 There was no equipment left. When -
9 Mr. Schimmel left, we didn't have barricades, we didn't -
10 have shovels, we didn't have equipment. I had to go -
11 back and I had to rebuy it. Right now, the majority of -
12 our barricades were stored in the very back of the -
13 City Hall, our dump trucks were basically stored at the -
14 Oakland County yards. I had to take some of the trucks -
15 back to provide better services to the citizens of the -
16 City of Pontiac when I had --

17 When the Mayor objected to the fact that I -
18 was keeping the trucks outside in the parking lot next -
19 door, I asked that the Waterford Fire Department, who -
20 basically is utilizing the -- our fire stations, they -
21 had one station that they were using for storage and I -
22 requested to be able to house some of our equipment in -
23 there because we had no other place to put it. They -
24 agreed to allow us to use it on a temporary basis until -
25 we acquired our own facility. -

1 The Mayor has an interest as well as I do and -
2 there is a need in the City of Pontiac that the -
3 Department of Public Works be able to return to some -
4 normal action of being able to react, which means we -
5 have to have available equipment to turn around and do -
6 it. -

7 Our contractors are not available 24/7; -
8 unfortunately, we have to be. And I have a -
9 responsibility to these citizens. When RACER Trust -
10 basically came back and they offered the building --
11 they were going to demo the building. Mr. Sobota is -
12 more in favor of demoing the building, returning it -
13 back to a piece of vacant land, which becomes now a -
14 piece -- a parcel that I cannot utilize and that I have -
15 to maintain, to no value to the citizens of the City. -

16 A compromise that I proposed to them was that -
17 they remove all of the contents inside of the building, -
18 meaning the machinery, basically put it in a warehouse -
19 state and allow us to utilize the building and the -
20 facility, as it is, at that point, at no cost to the -
21 City of Pontiac because that would be a considerable -
22 savings to them, instead of demolishing the entire -
23 facility. They agreed. -

24 They were more than willing to do exactly -
25 that, put it in. So, basically, what we do is we get a -

1 60 by 100 building, 60-foot by 100-foot building on a -
2 two and a half acre parcel at no cost. They're going -
3 to fix it up. We get lighting, there's heating inside -
4 of the building and everything else. I don't have to -
5 borrow an abandoned fire station, I have a yard that I -
6 can turn around and utilize and be able to store -
7 equipment as the City starts to move forward. -

8 As it stands right now, we do not have such a -
9 facility. If we were to acquire it at some other point -
10 in time, we would have to pay for it. What makes -
11 sense; do we acquire a building that we can utilize -
12 properly right now at no cost to the City or do we wait -
13 and turn around and spend 150-, 200-, a quarter of a -
14 million dollars on a facility at some point in time in -
15 the future? -

16 That's -- that is my proposal. I've -
17 explained this to Mr. Sobota. We have been waiting for -
18 seven months. RACER trust has been waiting for seven -
19 months on a decision to be made by the City. It is my -
20 recommendation that we move forward with this -
21 building -- facility. -

22 THE CHAIRPERSON: Thank you. -

23 Any discussion on this? -

24 All right. -

25 Next item is public comment. -

1 Mr. Van De Grift will retrieve the sign-up -
2 sheet. Per the Board rules, you will have two minutes -
3 to speak. And Mr. --

4 MR. VAN DE GRIFT: What about the Mayor's -
5 report? -

6 THE CHAIRPERSON: I'm sorry. Mayor, I -
7 apologize. -

8 MAYOR WATERMAN: That's all right. The -- a -
9 number of the items that I was going to include have -
10 already been considered under New Business or other -
11 points in the agenda. I only like to mention, for the -
12 fact of the public, that we did receive, and in -
13 writing, the annual evaluation which has been signed by -
14 the RTAB as well as the Treasurer and it did state the -
15 fact that what was quoted verbally last month, that we -
16 have moved forward in great stride in the City, which -
17 you recognize and we appreciate all the efforts of all -
18 of those who contributed to that, including our -
19 partners. -

20 And the only recommendation -- I have it over -
21 there. I don't want to run and get it. But the only -
22 recommendation was that we had to move forward on the -
23 OPEB litigation, which I certainly am concerned about; -
24 that is high on my plate. -

25 One of the things I will bring you to -

1 attention about is the fact that the mediation has been -
2 going on and one of the things that has limited my -
3 discussion of this is the fact that the mediator has -
4 had us under strict confidentiality. Now, this has -
5 been a hindrance for me because that is certainly a -
6 very important issue to the City and very important for -
7 assurance to the citizens that this is being handled in -
8 a way that will not only meet the needs of our retirees -
9 but also not bankrupt the City. And I have said that -
10 that's the settlement that we're trying to work toward. -

11 Now, because of the confidentiality, I have -
12 not been able to address some of the scope or the -
13 contours of the settlement that would assure people and -
14 there are some rumors that are rightfully being passed -
15 along that I have not been able to address. -

16 And most curious of which is that the -
17 mediation is all about the state line to take over and -
18 take over our funding in the pension fund. And that -
19 is -- I'm hearing from people who I think are fairly -
20 knowledgeable. -

21 So given the fact and I approached the -
22 mediator and told him what the issues were that we -
23 needed to be able to address to satisfy some of these -
24 questions from the public to also to assure that we're -
25 working toward -- we can work toward a settlement that -

1 would be to the benefit of the citizens as well as to -
2 dispel some of these rumors and also the fact that the -
3 mediation had been moving, until recently, just -
4 extremely slowly. -

5 So, to effect ability to do that, the -
6 Mediator did just recently lift the confidentiality and -
7 said that we were free to discuss the general contours -
8 of that now with anyone we felt who could help to move -
9 the settlement forward. -

10 So we are kind of using that option and we'll -
11 begin to address that so we can discuss some of the -
12 rumors that may be inadvertently keeping the mediation -
13 from moving forward with the -- to the productivity -
14 that we would like. So that's what's going on with the -
15 OPEB mediation. -

16 The only things additional I'll report, in -
17 terms of the Phoenix Center, which is other litigation, -
18 that we did, just yesterday, get a ruling from the -
19 Court of Appeals in regards to the condemnation -
20 lawsuit. They did affirm Judge Warren's opinion. The -
21 attorneys who are handling that particular matter are -
22 reviewing and assessing that and we are going to be in -
23 conversation about what that means for our next step. -
24 So I will report further on that as that has developed. -

25 That concludes my report. -

1 THE CHAIRPERSON: Any questions for -
2 Mayor Waterman? -

3 Thank you, Mayor. -

4 MAYOR WATERMAN: Thank you. -

5 THE CHAIRPERSON: And I apologize again for -
6 not recognizing you. Now we'll move on to Public -
7 Comment. -

8 Mr. Van De Grift will announce your name and -
9 will also serve as a timekeeper. As I mentioned, you -
10 all have two minutes to address the Board. -

11 MR. VAN DE GRIFT: Mr. Al Pope. -

12 MR. POPE: Good afternoon. My name's Al Pope -
13 and I'd like to join the others here in speaking out in -
14 support of Pontiac's next step in regaining both -
15 responsibility and control for City operations. -

16 I'd like to address my comments from a -
17 slightly different perspective. In 2006, I retired -
18 from the Government Affairs Office at Chrysler. During -
19 that time, I had responsibility for approximately nine -
20 states -- not only state level but the municipalities -
21 within the states. It should be no surprise that often -
22 cities within states have received federal and state -
23 support for any number of issues, primarily economic. -

24 Though Michigan has a more detailed program -
25 relative to reporting and accountability, I assure you -

1 the cities outside of Michigan still have a level of -
2 oversight to ensure that support they are granted is -
3 not squandered. -

4 Pontiac is unique, not only from the cities -
5 outside Michigan but also from within. Ask yourselves -
6 how many cities have put together a consortium -
7 consisting of a major university, county leadership, -
8 several large businesses, business groups, religious -
9 groups, not-for-profit organizations, foundations, the -
10 education community and, most important, local -
11 citizens. Pontiac has. -

12 I'd like to join other members in this -
13 consortium to express gratitude for the State approving -
14 Pontiac to begin its efforts towards full recovery. -
15 This being said, I'd like you to ask you not to look -
16 into any specific time elements for control to be -
17 returned to the City but I'd like to recommend -
18 performance-based. This will determine how quickly the -
19 City can return and here's why: Performance creates a -
20 mindset of sooner rather than later. This will -
21 encourage the consortium to be more highly motivated. -

22 I am basing my recommendation on experiences -
23 outside of -- and outside of municipalities not being -
24 incentivized in moving quickly rather than over time -
25 basis of getting the work done at the end of the time. -

1 THE CHAIRPERSON: I'm sorry, Mr. Pope, your -
2 two minutes have expired. -

3 MR. POPE: Thank you. -

4 THE CHAIRPERSON: Thank you. -

5 MR. VAN DE GRIFT: Mr. Tom Kimball. -

6 MR. KIMBALL: Thank you, gentlemen. I happen -
7 to bring greetings from the 1.5 million AARP members -
8 that I have this glorious opportunity to lead but, more -
9 so, being a member of the Pontiac OU partnership, which -
10 I think I talked to you once before about. When I -
11 talked to you then, I said that we had about four key -
12 initiatives going between these two great partners. -
13 That number has moved about 27 great initiatives now, -
14 spearheaded by the Mayor and President Hynd of Oakland -
15 University. -

16 Let me say that these initiatives go across -
17 all the great things that the City wants to do; early -
18 childhood education, great programs. They have a -
19 parent university where over 200 parents come out, -
20 parents that historically would not have had an -
21 interest now have a substantial interest in what's -
22 happening in the City's educational arena, workforce -
23 development and economic development. We have one -
24 program in health but we recently received \$2 million -
25 in philanthropic grants managed by the university where -

1 they will be looking at health disparities throughout -
2 the City, be looking at nutritional programs to help -
3 the City and looking at Complete Streets. -

4 Complete Streets is -- I mean, they have a -
5 lot of names for it. They call it Age Friendly Streets -
6 and those kind of things. Particularly at AARP, that's -
7 important for our seniors to have streets that they can -
8 walk on, bikeways, bike path, this initiative will help -
9 all of that and we're so happy to be a part of it. -
10 I've got one problem, though. -

11 THE CHAIRPERSON: Thank you. Your two -
12 minutes have expired. -

13 MR. KIMBALL: One problem is the issue of -
14 uncertainty. Until you take out the uncertainty --

15 THE CHAIRPERSON: Yeah. Thank you. I'm -
16 sorry. -

17 MR. KIMBALL: -- we won't be successful. -
18 Yeah. -

19 MR. VAN DE GRIFT: Ms. Linda Hasson. -

20 MS. HASSON: 2011 I sat here in front of the -
21 City Council, March 17th, which is my birthday, showed -
22 up and said that I realize when Act 4 was recently -
23 signed, I think it was the day before where they were -
24 able to dissolve unions, that there were weak people -
25 and that I was not going anywhere until -- and it has -

1 been five years now and I'm still here. -

2 I've learned a lot and I -- this process is -
3 rigorous but certain aspects of it are necessary. I -
4 understand from what I'm hearing Mr. Sobota's concern -
5 about the DPW expanding. Emergency managers had -
6 found -- they found that there were paychecks and -
7 different things that were going to people that -- like -
8 the Mayor had said, that there were -- where they -
9 didn't know that the retirees had deceased and stuff -
10 was going -- you know, that we were paying for. So -
11 this process, although it has been rough, it needs to -
12 see to the end. -

13 And I appreciate, Mr. Koryzno, you giving the -
14 time that needs for this process to work its way out. -
15 I don't want to be cheated. Like I said, I've been -
16 here six years on this but really on it five years, -
17 from here to Detroit to Lansing to everywhere, -
18 Highland Park. And this process is rough but we are so -
19 close and I can say today that there is light at the -
20 end of the tunnel. A lot of people may not agree and a -
21 lot of people -- but boy, I'll tell you, people are -
22 trying. People are trying in that GERS meeting and I'm -
23 glad that you -- that you take a second look at your -
24 decisions to decide whether or not you, you know, may -
25 have to revisit them. We're all just human beings. -

1 Thank you. -

2 THE CHAIRPERSON: Thank you, Ms. Hasson. -

3 MR. VAN DE GRIFT: Billie Swazer. -

4 THE CHAIRPERSON: Swazer, Swazer. -

5 MR. VAN DE GRIFT: Swazer. Pardon me. -

6 MS. SWAZER: Good evening. I have a -

7 question. -

8 THE CHAIRPERSON: Good afternoon. -

9 MS. SWAZER: A couple years ago or whenever -
10 Kone' Bowman's appointment was in 2014, you tied on it -
11 and that was because he did not pay his taxes, was not -
12 current on his City taxes or his income taxes. Now, -
13 today you go back and you look at that and say that -
14 don't matter, it's okay. -

15 I guess I have a question. Is it okay not to -
16 pay your taxes, not to pay your city taxes and have -
17 your taxes paid up or is the process that Joseph Sobota -
18 should have reviewed him continuously for the two years -
19 or 18 months he's been on there to see if he's paying -
20 and, if he continuously while he's on there, on the -
21 GERS Board, making sure that he pays his City taxes, -
22 that he files his income -- City income tax? Because -
23 that's my understanding that where some of the flaws, -
24 why he was not seated and why he did not qualify to be -
25 on the GERS Board. -

1 So I want to know at the end of this how --
2 how that works so that you can not pay your taxes, -
3 not -- owe the City and still sit on the Board and, two -
4 years 18 months later, they can say, you know, "That's -
5 okay. You didn't pay us. We'll accept you anyway." I -
6 guess I -- that mainly is my concern. Thank you. -

7 THE CHAIRPERSON: Thank you, Ms. Swazer. -

8 MR. VAN DE GRIFT: Ms. Rochelle Brady. -

9 MS. BRADY: Good afternoon. -

10 THE CHAIRPERSON: Good afternoon. -

11 MS. BRADY: I'm here regarding the fire -
12 retirees. This is the -- well, first, let me say this: -
13 When we first came to this Board, the one thing you -
14 asked us to do was get an actuarial study done. That -
15 had never been done with an outside entity, which at -
16 that point that's what we were considered. We went, -
17 jumped through the hoops, did what we had to do, got -
18 the study done by the same company that the City has -
19 used for years. -

20 Now, you keep saying "now". Four years -
21 later, two resolutions and an ordinance and now you're -
22 saying the \$9 million is going to impact the pension -
23 fund. The act -- that's why the study was done and it -
24 clearly states that the money is there and it tells you -
25 what the impact would be, if any. -

1 The Mayor is the one that said that -- well, -
2 let me take it back. Lou Schimmel said that you guys -
3 are waiting on some type of word from the Mayor -
4 regarding this group. The Mayor said that she would -
5 not do anything regarding an ordinance unless she had -
6 spoke with a few of you to see how they can move -
7 forward with this. -

8 Now, here we are again being postponed, which -
9 is like denied. The resolution, you didn't do anything -
10 with it. We need to know what it is that's really -
11 holding this Board up because it is discrimination. -
12 We've already let you know what the issues were. We -
13 paid for this stuff. The City didn't pay for this -
14 stuff. And either you're going to go by what the study -
15 says on some -- on all things or are we being -
16 discriminated against? That's what we need to know -
17 from this Board. -

18 And, Mayor Waterman, I need to say, at this -
19 meeting, you don't speak up for this group at all. But -
20 at the City Council meeting you are acting as if you're -
21 in our favor and you clearly are not. -

22 THE CHAIRPERSON: Thank you, Ms. Brady, your -
23 time has expired. Thank you. -

24 MR. VAN DE GRIFT: Forgive me if I get your -
25 name wrong. Is it Patrice Paterma? -

1 MS. PATRICE WATERMAN: Patrice Waterman.-

2 MR. VAN DE GRIFT: Oh.-

3 MS. PATRICE WATERMAN: I can't say good-
4 afternoon because it's not a good afternoon.-

5 I find it interesting that today you would-
6 allow the Mayor to come up here and give a summary.-
7 You saw me sitting back here and I tried to stand up-
8 and speak for the Council. But to give a summary in-
9 regards to GERS and the actions that you took today, I-
10 find appalling; I truly find appalling.-

11 Because, did you receive the letter that we-
12 had to get their city attorney to come and we could not-
13 go out and get an independent counsel, we had to get a-
14 counsel from what the City has? And so we took the-
15 better of the counsel -- of the legal staff that they-
16 have in there and they gave us an opinion.-

17 I don't know if you had the opportunity to-
18 read the opinion that they gave to us. I said and then-
19 the Mayor wants to come up here and give talking points-
20 on a veto when she knew that those talking points were-
21 illegal. She was not allowed to veto. She knew that-
22 in the end.-

23 But you put that up there on the Board to say-
24 that it was -- that we -- she should be able to veto.-
25 When she goes through the states of why it was that she-

1 wanted to veto our appointments to the GERS Board, this -
2 is not going to sit well with the Pontiac City Council; -
3 it's not going to sit well with us at all, as the -
4 actions that were taken here today. -

5 And in regards to the Mayor coming up, -
6 talking about the attorney, yes, Council did not have -
7 legal representation. So I did go and talk to the GERS -
8 attorney to ask her to help me to write a letter as it -
9 related to in regard to the vote. As for somebody to -
10 come here and try to throw shade on a person who come -
11 here, I think that's despicable, that is just -
12 despicable to me. -

13 And there is no legal conflict. The forces -
14 opposing Mr. Harris and Mr. Bowman was not the Council -
15 but it was the City Administrator and the City TAB -
16 Board sitting there. So we just tried to come in and -
17 do what we thought best to correct a big issue. Thank -
18 you. -

19 THE CHAIRPERSON: Thank you, Council -
20 President Waterman. -

21 MR. VAN DE GRIFT: That concludes public -
22 comment. -

23 THE CHAIRPERSON: All right. The next agenda -
24 item is Board Comment. Any comments from the Board? -

25 Ms. Swazer mentioned the Bowman appointment. -

1 I would like to remind you that the Bowman appointment -
2 and Harris appointments came before this Board. They -
3 were denied until Mr. Bowman was -- had paid the debts -
4 he owed the City. At that time, he was reconsidered by -
5 the Board. The Board, as I stated earlier, tied in -
6 that vote and then that's what we reconsidered today. -

7 And seeing no other comments from the Board, -
8 I'll entertain a motion to adjourn. -

9 MR. BURGESS: I make that motion. -

10 THE CHAIRPERSON: Moved by Burgess. -

11 MR. SAWDON: Support. -

12 THE CHAIRPERSON: Support by Sawdon. -

13 All in favor of the motion say "aye". -

14 BOARD MEMBERS: Aye. -

15 THE CHAIRPERSON: Opposed, same sign. -

16 The meeting is adjourned at seven minutes -
17 after 2:00. Thank you. -

18 (Meeting was concluded at 2:07 p.m.) -

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C E R T I F I C A T E -

I, Mona Storm, do hereby certify that I have recorded stenographically the proceedings had and testimony taken in the meeting, at the time and place hereinbefore set forth, and I do further certify that the foregoing transcript, consisting of (55) pages, is a true and correct transcript of my said stenographic notes.

Date

Mona Storm
CSR-4460 -

APPROVED - 6/28/16