

STATE OF MICHIGAN - CITY OF ALLEN PARK

RECEIVERSHIP TRANSITION ADVISORY BOARD MEETING MINUTES

ALLEN PARK CITY HALL

CITY COUNCIL CHAMBERS

16630 Southfield Road

Allen Park, Michigan 48101

Wednesday, April 6, 2016

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RTAB MEMBERS PRESENT:

~~R. Eric Cline, Department of Treasury~~
~~Patrick Dostine, Department of Treasury~~
Suzanne Schafer, Department of Treasury
Frederick Frank
Mark Wollenweber
Kristine Barann
Scott Lites

ALSO PRESENT:

William B. Matakas, Mayor
Mark Kibby, City Administrator
Robert Cady, Finance Director

R. Eric Cline, Dept. of Treasury
Patrick Dostine, Dept. of Treasury

Reported by:

Amy Shankleton-Novess (CER 0828)
Modern Court Reporting & Video, LLC
SCAO Firm No. 08228
101-A North Lewis Street
Saline, Michigan 48176
(734) 429-9143/ajsn

1 **Wednesday, April 6, 2016**

2 **CALLED TO ORDER: 2:00 p.m.**

3 Allen Park, Michigan

4 MS. SCHAFFER: I'll call the meeting to order.

5 Mr. Dostine, can you do roll call for us?

6 MR. DOSTINE: Sure. Suzanne Schaffer?

7 MS. SCHAFFER: Here.

8 MR. DOSTINE: Kris Barann?

9 MS. BARANN: Here.

10 MR. DOSTINE: Fred Frank?

11 MR. FRANK: Here.

12 MR. DOSTINE: Scott Lites?

13 MR. LITES: Here.

14 MR. DOSTINE: Mark Wollenweber?

15 MR. WOLLENWEBER: Here.

16 MR. DOSTINE: You have a quorum, Madam Chair.

17 MS. SCHAFFER: Thank you.

18 The next item is the approval of the agenda.

19 I'll entertain a motion to approve the agenda as
20 presented.

21 MR. WOLLENWEBER: So move.

22 MR. FRANK: Second.

23 MS. SCHAFFER: It's been moved and second. All
24 those in favor say aye?

25 MS. BARANN: Aye.

1 MR. WOLLENWEBER: Aye.

2 MR. LITES: Aye.

3 MR. FRANK: Aye.

4 MS. SCHAFER: Opposed?

5 (No response)

6 MS. SCHAFER: Hearing none the agenda has been
7 approved as presented.

8 Just a reminder to the public that we have the
9 public comment signup sheet over by the door so if you want
10 to speak during the public comment period please sign up.
11 Otherwise you will not be recognized.

12 The next item is the approval of the RTAB minutes
13 from the March 10th, 2016 meeting.

14 Are there any questions or discussions regarding
15 the minutes?

16 MS. BARANN: I move to approve the March 10, 2016
17 RTAB Minutes.

18 MR. WOLLENWEBER: Second.

19 MS. SCHAFER: A motion has been moved and
20 supported. All those in favor of approving the March 10th,
21 2016 RTAB Minutes please say aye.

22 MS. BARANN: Aye.

23 MR. WOLLENWEBER: Aye.

24 MR. LITES: Aye.

25 MR. FRANK: Aye.

1 MS. SCHAFER: Opposed?

2 (No response)

3 MS. SCHAFER: Hearing none we have approved the
4 minutes from the March 10, 2016 regular meeting of the
5 RTAB.

6 Moving on, old business of which there is none so
7 we'll go to new business. The first item of new business
8 is the approval of Resolutions and Ordinances from the City
9 Council Meeting dated February 23, 2016.

10 Do we have any questions or discussions regarding
11 the minutes?

12 (No response.)

13 MS. BARANN: I would move to approve all the
14 resolutions from the regular City Council meeting of
15 February 23, 2016.

16 MR. FRANK: Second.

17 MS. SCHAFER: Been moved and supported.

18 Any further discussion?

19 All those in favor of approving the regular City
20 Council Meeting minutes of February 23, 2016 say aye.

21 MS. BARANN: Aye.

22 MR. WOLLENWEBER: Aye.

23 MR. LITES: Aye.

24 MR. FRANK: Aye.

25 MS. SCHAFER: Opposed?

1 (No response)

2 MS. SCHAFER: Hearing none the board has
3 approved the Regular City Council Meeting Minutes from --
4 I'm sorry, the Resolutions from the Regular City Council
5 Meeting of February 23, 2016.

6 The next items are the Resolutions and Ordinance
7 from the Regular City Council Meeting of March 15, 2016.

8 Any questions or discussion?

9 (No response)

10 MS. SCHAFER: Hearing none I'll entertain a motion
11 to approve, deny, or postpone all the resolutions and the
12 ordinance from the Regular City Council Meeting of March
13 15, 2016.

14 MR. WOLLENWEBER: Move to approve.

15 MS. BARANN: Support.

16 MS. SCHAFER: Been moved and supported.

17 Any further discussion?

18 (No response.)

19 MS. SCHAFER: All those in favor of approving
20 Resolutions and Ordinances from the Regular City Council
21 Meeting of March 15, 2016 say aye.

22 MS. BARANN: Aye.

23 MR. WOLLENWEBER: Aye.

24 MR. LITES: Aye.

25 MR. FRANK: Aye.

1 MS. SCHAFER: Opposed?

2 (No response)

3 MS. SCHAFER: Hearing none the board has
4 approved the Resolutions and Ordinances from the Regular
5 City Council Meeting of March 15, 2016.

6 The next item of business is the Resolution from
7 the Regular City Council Meeting of March 22, 2016. This
8 item it was requested that we pull this forward for
9 approval so therefore if possible I'd like to have Mark
10 Kibby give us a brief overview of this resolution.

11 MR. KIBBY: Good afternoon, board.

12 This resolution involves the awarding of the solid
13 waste collection and disposal. It was the recommendation
14 of the administration to award the bid to Advanced Disposal
15 for an amount not to exceed \$9,189,012 for a term up to six
16 years. There's a five-year -- the proposal was for five
17 years with a one-year option and that would include those
18 total amounts.

19 The way we worked on that is there was a desire
20 from the mayor and the council for 96 gallon refuse
21 containers. We have a bit of a rodent problem and we felt
22 that this would be one way to cure that -- those ills. So
23 we went when we did the bids that's what we were looking
24 for. Advance came in, had the low bid. I know you've been
25 contacted by Rizzo Services.

1 When we did the bids, their bid if we just stuck
2 to everything we were currently doing which was a manual
3 load they were the ^{low} load bid. When the containers were
4 rolled in then Advanced became the low bid at that point in
5 time. Through the bid process then we sat down, the mayor
6 and council had questions so they were able to talk to each
7 vendor. It came in there that we'd be able to get
8 containers for the recycling and so forth so those are all
9 included -- both vendors included that and we still came to
10 the conclusion that Advanced was the low bid on the
11 proposal. So the residents also get 6400 -- no, not 6400,
12 64 gallon recycling containers for ^{the} recycling program. We
13 feel that this was the best proposal and the recommendation
14 was still and has always been to stick with Advanced
15 Disposal for that recommendation.

16 MS. SCHAFFER: Does the board have any questions
17 for Mr. Kibby?

18 MR. FRANK: Mr. Kibby, do you know one of the
19 bidders who did not receive the award and complained. I
20 wanted to know if you could address a complaint that was
21 made that they were not consulted about alternatives?

22 MR. KIBBY: I'm not too sure what they're going
23 with on the alternatives. I think the -- and I don't want
24 to speak for Rizzo but the point of their contention as we
25 understood it to be is that when the bids were opened the

1 Advanced Disposal had put down no bid for the trash after
2 it was going to Riverview Landfill which we have to do by
3 contract. We did call them to get a clarification as we
4 would have done with any contractor to get a clarification
5 on the information. We're talking about a large contract
6 here. No, they were not given any additional information
7 or given any other benefit that they would be able to gain
8 from. We were just going to get a clarification for our
9 Bid TAB process. Once they confirmed that that -- they
10 were taking the disposals included in the for bid price for
11 picking up the trash. That's what we put into the bid to
12 move forward with.

13 MS. SCHAFER: Any further questions?

14 MR. WOLLENWEBER: My question is you're satisfied
15 that the process was followed in the way that it was
16 advertised and that advances a low bid based on your
17 calculations, like that?

18 MR. KIBBY: Correct, yeah. We've stood behind
19 that recommendation for I think three -- I think two
20 council meetings and any council work session and now
21 today.

22 MS. SCHAFER: Any further questions from the board
23 ?

24 (No response.)

25 MS. SCHAFER: Thank you.

1 All right, I will entertain a motion to approve,
2 deny or postpone this resolution ^{regarding} ~~regard~~ the solid waste
3 collection and disposal, recycling and composting program
4 from the regular city council meeting of March 22, 2016.

5 MS. BARANN: I would move to approve.

6 MR. WOLLENWEBER: Support. Second.

7 MS. SCHAFER: Any further discussion or questions?

8 (No response.)

9 MS. SCHAFER: Hearing none, all those in favor of
10 approving the resolution for the solid waste collection and
11 disposal recycling and composting program from the March
12 22, 2016 meeting say aye.

13 MR. WOLLENWEBER: Aye.

14 MS. BARANN: Aye.

15 MS. SCHAFER: Opposed?

16 MR. LITES: I want the record to reflect and I
17 sent this memo to everybody. I've got to recuse myself.
18 Our law firm has, Plunkett Cooney, has done work for Mr.
19 Rizzo and Rizzo Enterprises in the past. So I cannot --
20 I've got to -- I think I have to recuse myself from having
21 any participation in this. So.

22 MS. SCHAFER: Okay, thank you.

23 MR. LITES: Just so the record's clear on that.

24 MS. SCHAFER: All right. Thank you.

25 So just so I'm clear all those in favor say aye?

1 MR. WOLLENWEBER: Aye.

2 MS. BARANN: Aye.

3 MR. FRANK: Aye.

4 MS. SCHAFER: Opposed?

5 (No response.)

6 MS. SCHAFER: Hearing none with Mr. Lites recusing
7 himself, the motion to approve the resolution for the solid
8 waste collection and disposal recycling and composting
9 program from the March 22, 2016 meeting has been approved.

10 The next item on the agenda is the 2014-2015
11 Annual Evaluation of the city of Allen Park. I will ask
12 Mr. Dostine to give us an overview.

13 MR. DOSTINE: Sure. I'll gladly do that.

14 So the RTAB back when the governor in his
15 appointment letter, in that letter is where the RTAB is
16 tasked to conduct a formal evaluation. It's essential to
17 look back over the year at the city's operation and
18 financial progress that it's made.

19 The RTAB actually doesn't do it. Practically
20 speaking the treasury staff performs the evaluation and
21 writes it up and presents it.

22 Treasury staff interviewed each of the RTAB
23 members. I talked to just about everybody here on the
24 board and on February 10th myself and a colleague ^{came} ~~come~~
25 out to the city and spoke with the mayor, the city

1 administrator and the finance director.

2 I'll just give you a general overview of the
3 financial picture of the city looking from September 2014
4 to September 2015.

5 General fund balance for fiscal year 2014 was \$6.2
6 million. It was an increase of \$2.9 million over the
7 previous fiscal year. That fund balance was 30 percent of
8 expenditures or 28 percent of revenues. That's very good.

9 The increase in fund balance was due to in part to
10 the public safety millage that was passed in 2013 which
11 collected about \$4.5 million to offset expenditures in the
12 police and fire departments, some grant awards totaling
13 about \$3 million and some other cost savings.

14 Now, I would just like to jump -- it's not a long
15 report and I'm not going to go over all the details but I'd
16 rather just jump to the conclusions and the recommendation.

17 The city of Allen Park is in a stronger financial
18 position with a year end unassigned fund balance that
19 exceeds what is required by the city's policy. Operational
20 improvements have been implemented over the past year that
21 benefited the city which included the hiring of the new
22 city administrator.

23 There were some issues that fell sort of outside
24 the evaluation in the actual year, calendar year September
25 2014 to September 2015 that we thought merited discussion

1 and so concern and that would perhaps reflect in the
2 recommendation of the report.

3 One is that there's still ongoing post-retirement
4 health care litigation. The other point, another point was
5 the pending remarketing of the 2015 bonds that were issued
6 to the Michigan Financial Authority to pay for the tender
7 of the city's 2009(a) and 2009(b) bonds. The finance
8 director in sitting down with the city in February said
9 that the city is projecting at that time their evaluation
10 less than a one percent growth in the tax base. And last
11 we noted that the new contracts were signed with the police
12 and the TPOAM unions and the treasury noted at the time

13 that these were not budget neutral.

14 On a positive side, the city moved to a self-
15 insured Blue Cross/Blue Shield plan for its active
16 employees and switch to Humana for its retirement health
17 care in addition to the prescription drug coverage which
18 was changed. As a result the city is projecting savings of
19 approximately and this is conservatively of \$500,000 at the
20 close of this fiscal year.

21 In conclusion, despite some challenges the city
22 overall is in a better position than it was in September
23 2014. Nonetheless, the above-mentioned issues need to be
24 monitored in accordance with the governor's appointment
25 letter of the RTAB. Therefore, it's the recommendation

1 that a continued RTAB presence -- that a continued RTAB
2 presence is recommended though in a much more limited
3 scope.

4 That concludes the report.

5 MS. SCHAFER: Thank you.

6 Does the board have any questions?

7 MS. BARANN: I just have a few comments.

8 First of all, thank you for putting that report together so
9 I'm sure not to take a small amount of time on the
10 treasury's part or, also say thank you for that.

11 My one question would be that this summary. So in
12 looking at the governor's appointment letter and also

13 looking at our emergency order 1457. It really looks
14 outside of the charter recommendation for the amendments
15 that the governor had in our appointment letter. He had
16 referenced a city charter, looking at that in terms of
17 amending that. It looks like we've pretty much fulfilled
18 our obligation so I just wanted to open it up to the board
19 today to kind of talk about that recommendation. I
20 understand that we have a limited scope recommended and we
21 still have really to me the bond tendering which is the big
22 remarketing issue.

23 But I just, I go back to I think the city has
24 really showed continuous improvement with financial
25 practices. You look at really everything we've asked them

1 to do they've done. So I'd like to at least have the
2 conversation about asking the governor or recommending that
3 he consider releasing the city of Allen Park from
4 receivership. Let's start it.

5 MS. SCHAFER: There's a -- I'm just going to
6 interject here. There's a couple ways we can handle this
7 and I will leave it to the board's pleasure. We can vote
8 on the contents of the evaluation and hold the
9 recommendation -- pull the recommendation out separately
10 and have that discussion. Or you know the other option is
11 we do it in its entirety. And perhaps it may be if we have
12 some discussion about the recommendation perhaps it would
13 be best to vote on the content of the evaluation and you
14 know, either approve or deny the content of the
15 recommendation and then have the discussion regarding the
16 recommendation.

17 MS. BARANN: I'd be happy to move that.

18 MR. LITES: I want to make sure that I understand.
19 There aren't any specifics in the recommendation, though,
20 in terms of what limitations if the RTAB Board is going to
21 be involved in it; we don't have any specifics. I just
22 know I went -- I've gone on to the -- you know, Pontiac
23 just did the same thing and I went onto the Pontiac website
24 and Pontiac had some very specific recommendations as to
25 what with their pulling back some of the authority. There

1 were some of the issues on that -- I'm not saying we should
2 do what Pontiac's doing but Pontiac had some very specific
3 recommendations as to you know, for example any contract
4 over -- you can't amend any existing contracts over
5 \$500,000, can't write any new contracts over \$500,000,
6 settle -- they had some very specific litigation that they
7 wanted to make sure you had to get RTAB approval to do and
8 I didn't know if treasury had any recommendations on that
9 so we can at least discuss that as part of today.

10 MS. SCHAFER: I think to help us out with some of
11 those questions and concerns about would the process be.
12 I'm going to ask Mr. Cline to enlighten the board .

13 MR. CLINE: The process in Pontiac, there's pretty
14 much what you're seeing here, that the annual evaluations
15 presented to the RTAB there contain a recommendation for a
16 continued presence of the RTAB but in a much more limited
17 role. The subsequently there was another meeting held on
18 the RTAB where a recommendation was made to amend the final
19 emergency manager order that limited sort of the scope of
20 the RTAB's role in the community to certain specific things
21 in addition to the authorities inherently provided under
22 Public Act 436. But that was done at separate meetings. I
23 would expect that probably a similar process would happen
24 here. Whether that would be at the next meeting or shortly
25 thereafter. Perhaps a special meeting or something like

1 that. I don't really -- I can't really speak to the timing
2 at this point but if the recommendation today was to retain
3 an RTAB presence but in a much more limited in nature, then
4 that would come back for consideration by the board.

5 MR. LITES: Okay. That answers my question, Madam
6 Chair. I just wanted to make sure that we had some
7 clarity, and that there would be a subsequent follow up
8 meeting with --

9 MR. CLINE: Yes.

10 MR. LITES: Delineating the scope of the
11 limitations of what --

12 MR. CLINE: Yes, we're trying to, I guess just
13 from a process of point of view, trying to take this and
14 just manage more pieces and not get too far ahead of
15 ourselves here. So.

16 Any other questions while I'm here?

17 MS. SCHAFER: Not yet.

18 MR. CLINE: That's fine. I'll be right over here.

19 MR. LITES: Thanks, Mr. Cline.

20 MR. FRANK: Madam Chair, I looked at these, I
21 would say that the question of one percent growth is
22 nothing that treasury can fix or the RTAB unless any of us
23 on the board plan to purchase a lot of property in the city
24 at a much higher value than it currently is.

25 There are number of other items. The remarketing.

1 I've been on this board since the beginning. It's dragged
2 and dragged. Mostly during the period of the emergency
3 manager and the prior city administrator appointed by the
4 ~~manger~~ ^{manager}. I am shocked that it has not yet concluded. As
5 somebody who has spent many years in the bond market, ^{I'm} not
6 sure what the city can do but it looks like it's about
7 over. With the permission of the chair, I would like to
8 know if we could hear from the mayor and/or the city
9 administrator as to their views on a continuing RTAB
10 limited scope presence in terms of things like suggestions
11 for any of the emergency orders that are still in effect.

12 MS. SCHAFER: Mr. Mayor, Mr. Cady?

13 MR. KIBBY: I'm -- he's got a point on the
14 bonding. There was a question Mr. Frank was asking about.

15 MR. CADY: Thank you. I'm Bob Cady. I'm the
16 finance director. I just want to make one thing clear --

17 MR. FRANK: And the former city administrator.

18 MR. CADY: What?

19 MR. FRANK: And the former interim city
20 administrator.

21 MR. CADY: Okay, you got it.

22 I just, rather the RTAB's days are gone but I just
23 want everybody to understand that as far as the refinancing
24 or the tendering of those bonds, the city has done
25 everything that has been required of it. We entered into

1 an agreement with the NFC. We guaranteed and pledged our
2 revenue sharing which now goes to somebody else to hold the
3 guarantee of that payment on those bonds. It's Standard
4 and Poors that refuses to upgrade our rating for whatever
5 reason. I mean everything we've done we've done, you know
6 what other RTAB cities have done to get that rating to an A
7 on that one piece. For some reason Standard and Poors is
8 still reluctant to give us that rating. So there's --
9 whether the RTAB is here or not there's nothing more the
10 city can do on those tendered bonds. It's kind of out of
11 our hands. And I think that's important for you to
12 understand that actually the woman from Standard and Poors
13 I've been calling actually thought it might even help us if
14 the RTAB wasn't here. As far as confidence-wise. But
15 there's still no guarantee that those bonds are going to go
16 up if the RTAB is here or not so I just -- I know Pat
17 mentioned that in the letter and I just wanted to make it
18 clear that, you know, there's nothing the city hasn't done
19 to try to clean this up, so. Thank you.

20 MS. SCHAFER: Mr. Mayor?

21 MR. MATAKAS: Thank you.

22 I'm William B. Matakas, mayor of the city of Allen
23 Park.

24 On the issues just look at the health care
25 litigation issue; before the emergency manager came in the

1 mayor and council had drafted a letter and we had public
2 hearings with the retirees and the employees on a change in
3 their health care benefits. And we had drafted a proposal,
4 they obviously didn't agree with it because we were
5 changing. But the one thing that we had done was we had
6 guaranteed that they would have no additional cost in the
7 first year and that was kind of the collar on the chains.
8 It was going to occasion \$750,000 in savings to the city
9 but no cost increases and our thinking was and that of our
10 corporate counsel was with the collar there'd be no judge
11 that's going to say if you guarantee the citizen can't have
12 a loss why in the world are you in court? And if you agree
13 to make them whole what is the court going to do? You can
14 come back here, we haven't been made whole.

15 The emergency manager didn't select that option.
16 She took the collar off. I think that caused the
17 litigation because the retirees particularly didn't have
18 the protection and but I don't think that's anything that
19 you can change or we can change now we're in the litigation
20 position. But certainly the mayor and council took an
21 intelligent position and of course we are looking at it a
22 little earlier. We're trying to get to 2013 when we knew
23 our contracts opened and we had a chance to negotiate
24 changes. But just on that one issue.

25 But the other thing is, there were three things

1 that I think were submitted to the RTAB as to what they
2 were charged with. And it was the September 25, 2014
3 letter of the governor and the order 57 of the emergency
4 manager could also which was one I had a hard time finding
5 and I just got this morning was the ELB order 2014-10
6 referred to in the last sentence, I think, of the emergency
7 manager's order. And I looked at that because I think it
8 goes most strongly to saying there isn't, you know, a
9 necessity for RTAB to be involved at this juncture because
10 in that order it says "City of Allen Park shall submit to
11 the state treasurer on a quarterly basis beginning October
12 15, 2014 statement of actual revenues, statement of total
13 revenues, statement of expenditures, statements of revenues
14 which are estimated to receive during the current fiscal
15 year through the end of the last quarter of the current
16 fiscal year, balance sheet indicating total estimated
17 expenditures, current and estimated revenues and then
18 submit to the state treasurer the general appropriations
19 act of the city, submit forthwith any amendments to the
20 general appropriations act of the city and to certify
21 annually that the city has fully complied with all
22 statutory requirements concerning the use of uniform chart
23 of accounts and audits." And that we can't make any
24 amendments, we can't change our budget without the approval
25 of the treasurer. So we've got a financial oversight

1 that's quarterly, annually and if we try to do anything in
2 the amendment in the interim because of just the necessity
3 of change in circumstances that require budgets to be
4 changed all the time we're still going to have to go to
5 treasury before they're going to be effective. So it seems
6 to me that we're just kind of duplicating the services of
7 RTAB and what the ~~state~~^{city} administrator and the CFO have to
8 do with the department of treasury. And this runs for the
9 ten years from October 15 of 2014. So, I mean it's a very
10 long running order because those funds were loaned to us
11 over a ten-year basis on their repayment.

12 So, seems to me that the state has all of the
13 protections it has in doing all the things that we're
14 currently providing to the RTAB board. Treasury is still
15 going to have to get those items so it doesn't seem to me
16 that it's necessitous to bring you here. We've appreciated
17 your assistance but I just think in my own opinion part of
18 our rating system and our ability to hire people is being
19 deterred because we have this oversight and this bell
20 around our neck that just doesn't give us the best public
21 opinion. And I think we would be able to do better in
22 hiring people and meeting the obligations of services to
23 our residents if we didn't have this. We're still going to
24 provide you the additional financial information. When I
25 say 'you', treasury. So that doesn't change. That's going

1 to go along -- well as long as the emergency loan is
2 outstanding and I don't think we're going to prepay the
3 emergency loan of \$17.2 million slipping back ahead of it.

4 MR. CADY: Well, that's the \$2.6 million emergency
5 loan.

6 MR. MATAKAS: Oh, the emergency -- yeah. But I
7 wouldn't be prepaying that which is a two percent loan
8 versus a five percent \$17.2 million loan.

9 So, to me, I don't -- I can't agree with that
10 conclusion that treasury has made to you on this matter for
11 the reasons that were stated. So.

12 MS. SCHAFER: Thank you. Any questions for the
13 mayor?

14 (No response.)

15 MS. SCHAFER: Thank you.

16 Any further discussions? What's the board's
17 pleasure?

18 MS. BARANN: Well, I'd like to move to go ahead
19 and approve the contents of the annual report and let's
20 take that conclusion as a separate matter. Can we do that?

21 MS. SCHAFER: We can.

22 MS. BARANN: So I would like to move that we
23 approve the annual report as presented with the exception
24 of the last paragraph of the conclusion.

25 MR. FRANK: Second.

1 MS. SCHAFER: It's been moved and supported to
2 approve the contents of the evaluation with the exception
3 of the last paragraph which contains the recommendation.

4 All those in favor -- any further discussion?

5 (No response.)

6 MR. LITES: What's the -- the intent of this is to
7 -- so what's the -- take out the recommendation to have
8 RTAB so you want there to be -- the RTAB just dissolved, is
9 that what you're going to discuss next?

10 MS. BARANN: Yes, we'll discuss next.

11 MR. LITES: Okay.

12 MS. BARANN: I think the report as it stands is
13 just fine.

14 MR. LITES: Yeah. Okay. The body of the report.
15 Not the recommendations.

16 MS. SCHAFER: The body of the report. Right.

17 MR. LITES: Okay.

18 MS. SCHAFER: We're pulling out the
19 recommendations.

20 MR. FRANK: Not the conclusions and
21 recommendations.

22 MR. LITES: Okay.

23 MS. SCHAFER: So, all those in favor of approving
24 the annual report evaluation with the exclusion of the
25 conclusion and recommendation say aye? Aye.

1 MR. FRANK: Aye.

2 MR. LITES: Aye.

3 MS. BARANN: Aye.

4 MS. SCHAFER: All those opposed?

5 (No response.)

6 MS. SCHAFER: Hearing none the board has approved
7 the contents of the annual evaluation with the exception of
8 the conclusion and treasury's recommendation.

9 So the next item that we would discuss then is
10 what is an appropriate recommendation that the board thinks
11 is -- what recommendation the board thinks is appropriate.

12 MS. BARANN: We can't decide anything here today.
13 Obviously this is a recommendation that is going to
14 Governor Snyder and it would be up to him to go ahead and
15 weigh that information. So, again I go back to the fact of
16 I think that this city has demonstrated that it can promote
17 its financial long-term sustainability. I think there was
18 a financial crisis, there was a financial emergency. And I
19 think that you now have a qualified administration in
20 place. You have a mayor and council that has stability.
21 And I just keep coming back to that I think the resources
22 here on the local level and at the state level could be
23 better used for other situations going on in the state of
24 Michigan and also in the city of Allen Park.

25 And I think if there was any doubt in my heart

1 that we thought that there be some hesitation or again some
2 uncertainty I don't think I would recommend it. But I just
3 -- I look at the last in particular the last 12 months of
4 what ~~this~~ progress the city has made and I think it's
5 substantial and I think there's a comfort level that again,
6 you look at the Emergency Order 57 and you look at our
7 appointment letter and I think that, you know, I think our
8 job is done.

9 MR. FRANK: Are you making a motion that the
10 recommendation be that receivership end and that the RTAB
11 be dissolved?

12 MS. BARANN: That would be my recommendation but I
13 thought we'd have that conversation first. Because I'd
14 like to hear -- I'd obviously like to hear the opinions of
15 the other board members.

16 MR. WOLLENWEBER: Well, I'd be happy to give you
17 my opinion.

18 MS. BARANN: Please.

19 MR. WOLLENWEBER: Being new to the board but
20 having been here when I saw this on the original treasury
21 review committee, there's no question that this crisis was
22 caused by people not in office currently and it's you know,
23 you and I have talked about this privately. I mean at
24 other times, too, that I think it was criminal what was
25 done to the people of this community and those people that

1 now serve in office, appointed and elected and left with
2 this to solve and there's been great progress in things. I
3 still think there are some things to do in terms of that
4 and I would not be in favor of dissolving the RTAB at this
5 point but I think a substantially reduced scope, let them
6 spend more time in trying to sell the property and some of
7 the other things you mentioned earlier that have taken
8 forever to do and I'd like to know more about the bond
9 issue and see less money wasted on outside consultants to
10 train this and create this book and transparency for this
11 thing, etcetera. I don't know how much that's cost the
12 poor city. Maybe that's what's caused some problems with
13 S&P. Having just visited with S&P a few months ago to get
14 a Triple A rating for our community, I mean they really --
15 I don't know why they would not and with treasury's help
16 there's got to be a way to figure this out with all the
17 people that have been employed as outside and inside and
18 visiting counsel, etcetera, to figure out the bond issue.

19 Bond issue concerns me. The sale of the property
20 next door and what's happening, you know, from the city
21 hall a long term plan for either staying here or moving
22 because this is now an expensive indication of the budget
23 and the status of the retiree lawsuit on LPab liability.
24 Those are issues that concern me that I do think -- I don't
25 know that we have the answer for those but those are issues

1 that the residents of the community deserve to now are
2 being handled and I have -- feel very positive with the
3 elected officials here and the changes that are made, the
4 administrative people and the change that it made and
5 you've sat in the last year things changed substantially.
6 For the good. And I don't think there's ever been -- maybe
7 there was and I don't know not having been here that long
8 that there was a city versus -- or staff versus the RTAB
9 thing at any point. I think they tried to work to help
10 make things better for ultimate life for residents here.
11 And you're one of them so I trust your opinion too, so.

12 MS. BARANN: Thank you.

13 MR. LITES: I agree with Mark. My -- I think that
14 the RTAB hasn't been in existence that long, number one.
15 The one other thing I would add is the pension is funded to
16 80 percent. I think under 436 that's the -- I don't know
17 what the exact number is but doesn't the emergency manager
18 have the right to come in and replace the board if that's
19 the case? I think that's under the 436? Isn't that
20 correct?

21 MS. SCHAFER: Yes, that's correct.

22 MR. WOLLENWEBER: Yes.

23 MR. LITES: So I think I've got some concerns
24 about that. I think -- I've only been involved, Mark and I
25 got appointed the same time.

1 MR. WOLLENWEBER: Yes.

2 MR. LITES: A very short period. I think what I'm
3 very impressed with Mark, the mayor. I think you guys have
4 done from I gathered from what's been done from when I was
5 involved it's -- your performance has been exemplary.
6 There's no question. I'm not, however, I'm concerned about
7 the same issues Mark is concerned about. I just don't
8 think it's been enough time has passed. Is my opinion.
9 Just my opinion and I also take the recommendations of
10 treasury even though it's not in what was approved I take
11 those recommendations to heart and I, you know, that's why
12 I'm of a -- I share the same opinion as Mark that I'm a
13 little concerned about dissolving the RTAB myself.

14 MR. FRANK: I'm not terribly concerned about the
15 RTAB. I've been on it since the beginning and this problem
16 was caused by one action, one series of actions.

17 MR. WOLLENWEBER: Uh-huh.

18 MR. FRANK: By former administrations and the next
19 city council requesting that the governor take a look and
20 desired as -- if my recollection is correct so to have a
21 consent agreement but it was concluded that the council at
22 that time was not functional enough or perhaps too
23 dysfunctional to have such an agreement. The one issue
24 that was the major concern has been dealt with. And I do
25 not want to minimize my fellow board members' concerns

1 about going forward. I think it's something the city can
2 deal with. But I'm not terribly strongly opposed to a much
3 more limited role. Whether it would be approving contracts
4 over a certain amount, approving settlement of major
5 litigations, certainly probably those budget amendments
6 which had heretofore been required to come to RTAB and
7 treasury. Those are if I remember correctly more than 20
8 percent variance.

9 So at the conclusion of the discussion I think
10 somebody should move to table this how to handle the
11 conclusion recommendations for the next meeting. I'm not
12 going to move yet because such a motion, my recollection of
13 Roberts Rules of Orders is correct, Roberts Rules is
14 correct that such a motion is not debatable.

15 MR. WOLLENWEBER: Yes.

16 MR. FRANK: You have like -- to sell I would say
17 that I would suggest somebody make that motion perhaps at
18 the end of our discussion. Which will give everybody a
19 chance to think about what the phrase "limited scope" might
20 mean. Would need perhaps some comment and advice from
21 treasury staff based upon what's happened in other
22 communities that it moved a long way towards solvency
23 moving out of receivership.

24 MS. SCHAFER: So is there any further discussion
25 or questions?

1 MS. BARANN: Again, I'd just like to, again I
2 think there will always be challenges and a lot of those
3 points that are listed in that annual report are challenges
4 that all communities face. So again I appreciate at least
5 having that conversation. I think the ultimate motion is
6 to have a limited scope that we're very careful in what
7 that scope is so the city can continue to move in the same
8 direction maybe even more quickly than it has under our
9 advisement and that when we do resolve these issues we are
10 quick to go ahead and recommend to the governor that we
11 feel that, you know, this city's ready to move on.

12 MS. SCHAFER: I feel compelled to say just a few
13 things since my co-board members have given their opinion.
14 I find myself in a unique position being chair of the board
15 as well as an employee of treasury. And so I definitely
16 understand everything my fellow board members are saying.
17 The only thing that I would like to say is that if we were
18 to choose to exit the RTAB and recommend to the governor
19 that receivership is over I will say this for something
20 that the board members should consider and think about is
21 that, and while I do not speak for the governor it would be
22 my belief that he would ask has everything that has gotten
23 the city into a financial emergency been resolved? And we
24 still have the bond tender that is out there. And that is
25 that the bonding was an area of concern at the beginning of

1 the financial emergency. So if we can as a board agree
2 that that has been resolved you know, or not, you know I
3 think the board has to keep that in mind as they vote their
4 conscience.

5 So any other discussions, comments, questions?

6 (No response.)

7 Then I will entertain a motion.

8 MR. FRANK: I move to table the decision upon the
9 conclusion and recommendations for the scope of the RTAB or
10 any other discussion on conclusion, recommendation. Table
11 until the next meeting.

12 MR. LITES: Second.

13 MS. SCHAFER: It's been moved and supported to
14 table the recommendation of the RTAB regarding the annual
15 evaluation. Any further discussion?

16 (No response.)

17 MS. SCHAFER: Hearing none, all those in favor of
18 tabling the recommendation of the RTAB to either the
19 treasurer or the governor say aye?

20 MS. BARANN: Aye.

21 MR. LITES: Aye.

22 MR. FRANK: Aye.

23 MR. WOLLENWEBER: Aye.

24 MS. SCHAFER: Opposed?

25 (No response.)

1 MS. SCHAFER: Hearing none we have moved to table
2 the recommendation of the annual evaluation.

3 Thank you.

4 The next item on the agenda are the city
5 administrator items of which we none. So we move on to non-
6 action items. The budget to actual report for February
7 2016 has been received and filed. And then the second
8 action item is the city administrator update.

9 Mr. Kibby?

10 MR. KIBBY: Good afternoon again, thank you.

11 Real quick, I want to just take a real quick
12 moment if I can to point out some of the great crew
13 members. I have been fortunate to work with some really
14 fine people here in the city of Allen Park; Bob Cady, one
15 of the best finance directors around. He does a fantastic
16 job for us. I've got Dave Boomer in the back. He runs our
17 building department and community development, does a great
18 job for us. Pat Hawkins is the recreation director, also
19 great team member for us. I've got John Mensinger, one of
20 our foremen keeping an eye on the DPS crews as the other
21 guys are out of town right now in training. And then a
22 great council as well and the mayor. So I just wanted --
23 it's not a single effort. This is a team effort. We've
24 worked very hard as a team. We were just saying yesterday
25 it's not uncommon to go to a lunch. Yesterday was Taco

1 Tuesday at Angelina's and there was four to five people
2 sitting around the table and that's typical. And those
3 conversations are not just talking about you know the
4 sporting event, although we did have to hear about
5 Villanova's win. We talk about what's going on in the city
6 and I think it's a great time for those opinions to be
7 heard by others and maybe you're not looking at it from one
8 -- you know, you're only looking at it from one
9 perspective, it gives you the opportunity to look at it
10 from a different perspective, from a different department
11 perspective as well. So I think that's one of the great
12 things we had going on here so.

13 Amongst the other things I have just a short list
14 here of the things we've to work on. The \$270,000 grant
15 that we received from the distressed communities grant
16 fund, we had initially put that in for the generator. We
17 asked the treasury to reconsider that for the HVAC system
18 at the fire station and they did approve that change so
19 we'll get that paperwork completed and sent over to them
20 for that change.

21 On a very positive note, this was at the great
22 efforts of Pat Hawkins, the Allen Park Hockey Association
23 is coming back home. They're going to be back at the
24 community center at civic ice arena. They spent the last
25 year, I think the last year, one year, two years?

1 MR. CADY: Couple years I think.

2 MR. KIBBY: Couple years, outside of here. They
3 were playing over ⁱⁿ Lincoln Park most recently and now the
4 Ice Box in Brownstown. So we felt that it's a great
5 benefit to have them back home. They are the Allen Park
6 Hockey Association and when you see a friend tie themselves
7 to a location and a FaceBook page in another city for that
8 event and Allen Park Hockey comes up it just grated me all
9 the time. So ^{I'm} ~~I've~~ very happy that that's occurred. And
10 that is with the help of the Allen Park High School hockey
11 coach, John Brithinee. He was very instrumental in that
12 occurring.

13 The DPS, they finished up the sewer lines for the
14 SAW grant which was one of the state's program for the
15 sewer program so that is now complete and I think the last
16 thing that they're working on, one of the last things
17 they're working on is the Watson Street pump station. And
18 that is being just finalized and will be ready to go to bid
19 and that'll be under construction here shortly.

20 Orange barrels galore in the city of Allen Park,
21 at this time.

22 One of the projects that I've been working on a
23 long time is the water department lock box. What happens
24 here is when the people pay their bill, now instead of it
25 going to coming here to the city hall, if they pay via the

1 mail it's sent downtown to a post office box. Comerica
2 takes that and processes those checks so we don't even
3 touch them at this point in time. The -- it's been a
4 little slow getting going but I think now we're up to
5 somewhere over 20 percent per month and that's a positive
6 sign as people start utilizing that service. It'll help us
7 here to be able to manage our staff, very limited staff but
8 be able to get that person to be able to work on some other
9 areas that are of great concern to us.

10 The MML compensation study and the Whitehall Group
11 operational review both have been placed on the website.
12 One of the things that Bob started and I've tried to make
13 sure we continue it on as transparency when it comes to
14 various items. Council packets are on the website for
15 every meeting and this is just another one of those items
16 that we're getting out there so the public is aware of what
17 we're working on and they have those available as well.

18 We've had some issues. One of the things is that
19 we are able to record your meeting here but we're not able
20 to broadcast it out live. We've had some issues with the
21 move over from the old city hall. We had a piece of
22 equipment come up missing and had some issues with the
23 transfer of Comcast coming over and we took a drastic
24 measure; I sent an email out a couple weeks ago and
25 basically told every Comcast contractor that's in the city

1 that we need this thing resolved or we're going to stop all
2 their permits, order the building department, the
3 engineer's office, the inspectors to no longer issue
4 permits for Comcast. It seemed to catch the attention of
5 some higher ups and this happened two weeks ago and I think
6 we're going to have the problem resolved within the next
7 day or so. So it worked out. The only tool they measure
8 but it was one we had to take and probably should have
9 taken a long time ago.

10 Earlier it was mentioned about the municipal
11 building. The municipal complex committee has been
12 meeting. They determined after looking all over the city,
13 they've looked at every possible site that's there and they
14 keep coming back to the same conclusion; the best location
15 for a new police department and city hall is right next
16 door. So just outside the window. We're still looking at
17 we'll need to sell the front portion of that property
18 because of the way the funding would be needed for to fund
19 or finance the building. So we're looking at probably back
20 middle four, three or four acres for that location.

21 The city council took a tour of the Inkster Police
22 Department recently and then they have scheduled
23 appointments with five architects for next week to try to
24 go through like an RFP/RFQ process and then they'll be able
25 to get a timeline to the mayor and council at the April 26

1 meeting as going forth. It's been -- the city was founded
2 back in the late fifties and we've never had a permanent
3 city hall or police station. That's something I don't
4 think, it's almost unheard of. I'm hoping -- I know that
5 we've been at this point many, many times before but I'm
6 hoping this time we'll get over that hump and finally get
7 something and get a permanent home. Our police department
8 definitely deserves it because there's definitely a need.
9 And being here is just very cost prohibitive. It's just
10 become more cost prohibitive. It seems like every month it
11 gets more expensive, the CAM charges and various items.
12 And we don't have a jail cell. That's the main issue. How
13 do you have a police department with no jail?

14 And then finally, the council scheduled a work
15 session for April 19th to discuss the 2016/2017 budget and
16 they'll be getting a copy of that budget next Tuesday and
17 Bob's been working on it. Every time I go in there he's
18 working on something different to the point I think he's
19 ready to set it aside and leave it alone for a while.

20 MR. CADY: Going on vacation.

21 MR. KIBBY: He's mentioned vacation. I don't
22 think that's going to happen.

23 But it's been very active here and I think
24 everything is moving in a positive direction.

25 MS. SCHAFER: Any questions for Mr. Kibby?

1 (No response.)

2 MS. SCHAFER: Okay, that brings us to our next
3 item which is the public comment period.

4 Mr. Dostine?

5 MR. DOSTINE: Madam Chair, we have a few requests.
6 The first one is Councilman Gail McCleod.

7 COUNCILWOMAN MCCLEOD: Good afternoon.

8 I had some thoughts before I came to this meeting
9 that really ties in with the discussion that occurred about
10 the treasurer's report.

11 When you are considering what you want to do with
12 this RTAB and what you're going to recommend to the
13 governor, I would strongly urge that there's a
14 communication that occurs and that is the governor and the
15 state expect a certain level of accountability and
16 competency from the cities for which they have provided
17 oversight and I think that Allen Park has and is proving
18 that. On the flip side, these cities and school systems
19 that have been under emergency managers also have an
20 expectation that there is accountability and competency
21 displayed by the state and those whom the state appoints.

22 We suffered in this city with what I would call an
23 albatross around our necks. You talk about the bond issue
24 which fits in very well with my thoughts. The bond issue
25 would not be quite the issue it is today and I might be

1 corrected by Bob if certain actions had occurred in a more
2 timely manner but they did not. And in the time that
3 transpired before the remarketing was issued and actually
4 occurred interest rates started to go up which impacted us
5 and how we did business. But again, that was because of
6 the incompetency with which we were saddled and the price
7 that we paid and continue to pay for the mismanagement
8 under which we were guided, and you can put that in quotes,
9 as Mr. Frank pointed out there's very little we can do
10 about the growth rate. That is dependent on how solvent a
11 city we are viewed as. We are moving forward on that
12 trying to make sure that people want to come to this city.
13 The more people who come, the new homeowners will help
14 increase that base.

15 The health care litigation was another point that
16 came up today and the mayor's comments, the thought again
17 crossed my mind. We did what was right. We proposed what
18 was right to avoid this litigation and again not due to our
19 fault but because of your appointee -- not yours, I'm
20 sorry, the state's appointee we are now suffering the
21 consequences and we pay and we pay and we pay and the
22 people who are responsible for some of these lingering
23 maladies are not paying. As a matter of fact we were
24 forced to pay over and above what was written in the
25 emergency manager's ordinances for total incompetency. And

1 I would like that to be communicated back and I would like
2 that to be part of your thought process. And view us only
3 as a city, as we are doing progress not in comparison to
4 any others. As a parent, if you were a teacher, anyone.
5 You don't punish all of your children because of what one
6 child has done. View us separately. But again, I feel
7 very strongly somebody needs to communicate back.
8 Accountability and competency are two-way streets and we
9 have a right to expect the same when we're making the
10 effort.

11 Thank you.

12 MS. SCHAFER: Thank you.

13 MR. DOSTINE: Mayor William Matakas.

14 MAYOR MATAKAS: Well, I did talk about the
15 approval order and the financial but in the matters
16 expressed by RTAB Board Members Mr. Wollenweber and Mr.
17 Lites, I guess I'd have to go back and follow up with what
18 Mayor Pro-tem McCloud has just been speaking about. We had
19 an administrator that was left by the emergency manager
20 that went into a bunker, took all of the CDRs and
21 everything else and nothing came out of there. Nothing
22 went forward. Decisions couldn't be made. The whole
23 process of I think a 38-member committee created by the
24 state for the bond issue sat in the doldrums for virtually
25 six months until we had to come to the treasury and ask

1 that this person be removed, not just for that problem but
2 other problems that she had created here. That bond issue
3 was not of the city's making.

4 I think the other item that came up is you know,
5 some of the contracts and the problems that were there but
6 under the way 436 acts and the emergency manager has to act
7 you have to take those contracts and those changes over
8 50,000 and the council has to vote on them. We did vote on
9 them. And then the emergency manager changed those
10 contracts unilaterally without knowledge of the council.
11 And sequestered her own attorneys to draft those matters,
12 not following what she'd presented to the council. Not
13 following Act 436. And we've tried to cooperate. We know
14 we had a problem. That mayor and council that acquired
15 this property while we think it was well-intentioned or
16 there was some malevolent or some wrongful causes for it
17 that's the only action that put this city in a uniquely
18 dire financial situation. We are different.

19 If you look at every other community that has been
20 under an emergency manager under RTAB, under consent
21 agreement, we haven't had a long term history of badly
22 managed departments and our revenue sources have been
23 relatively good. The CFO obviously is not much of a public
24 relations guy because he's talking about one percent
25 increases. Allen Park's residential property for the last

1 three years has gone up 7, 8 and 9 percent respectively but
2 Headlee says we're limited by the CIP or five percent,
3 whichever is less and it's been low. And then the
4 governor's helped us with the repeal of our personal
5 property tax which for Allen Park is a substantial amount
6 of money. It's being replaced the first year and I think
7 we lost --

8 MR. CADY: Thirty-two million.

9 MR. MATAKAS: Well, but I think the actual amount
10 of money that we got back from the state --

11 MR. CADY: \$166,000.

12 MR. MATAKAS: Yeah, that was replacement with
13 approximately 11 percent as the state's uniform replacement
14 action.

15 MS. SCHAFER: Mr. Mayor --

16 MR. MATAKAS: This puts a problem on us as we're
17 trying to gather the funds to build a new police jail and a
18 new city hall but I think some of the actions that have
19 occurred here were just problems indicative of the
20 emergency manager. I mean I've talked with some of the
21 other mayors that have been under emergency manager and
22 unfortunately you can't draft an Act like 436 in 60 days
23 and then hand the governor that and then go out and try and
24 find these people who are going to have to be Plato,
25 Socrates or somebody to figure out how to run these things.

1 I think the elected officials are doing a good job
2 at this point. I don't see the advantage of this. I see
3 it as just a situation that causes us real problems so I'm
4 hoping that whatever is going to the governor at this point
5 or whether it goes to the governor at the next meeting that
6 you think hard and long about those consequences. Because
7 you're staying in place has consequences. It has
8 consequences in the community, has consequences in the
9 state. I've done at least five interviews by people
10 working on Ph.D's about Act 436. And --

11 MS. SCHAFER: Mr. Mayor, I don't mean to cut you
12 short.

13 MAYOR MATAKAS: Okay.

14 MS. SCHAFER: But it is public comment limited to
15 two minutes and I follow that up--

16 MAYOR MATAKAS: Thank you for your time and
17 extension.

18 MS. SCHAFER: Thank you.

19 MR. DOSTINE: The next is Mr. Chuck Rizzo.

20 MS. SCHAFER: I believe he left.

21 MR. DOSTINE: Next is Mr. John Messinger (sic).

22 MR. MENSINGER: It's Mensinger.

23 MR. DOSTINE: Mensinger. Pardon me.

24 MR. MENSINGER: I've only got two minutes, so Ms.
25 McLeod, John Mensinger Allen Park. They covered everything

1 I was going to ask, a bond issue. My question was how long
2 are you guys going to be on board? Can't you help us -- if
3 you can't help us with the bond issue yet it's used as a
4 tool against us to up our ratings so I'm not going to beat
5 that up, that was awesome.

6 One thing I did catch, somebody mentioned I
7 believe Mr. Lites there about the pension board. That city
8 manager. I'm not speaking for the pension board however I
9 am on the pension board so I sat in every meeting with her.
10 The state held our money, two and a half million dollars
11 for a long time and I don't believe we ever saw a penny of
12 interest when we did finally get paid as a pension board.
13 Yes, we're under the 80 percent that you had mentioned.
14 However our members, our private company that's controlling
15 our money in our pension beat MERS hands down every time
16 which is why I believe she couldn't really take us away and
17 put in an underfunded pension. So that's just my comment
18 to that is our pension is rock solid. It's doing better
19 than most, better than MERS, better than most. We like it,
20 we like PNC's ability to oversee our money from a citizenry
21 standpoint. Again, I'm on the board, I sat with Joyce and
22 we had some rash words. We were afraid that they were
23 going to put ^{us} ~~is~~ in the state pension and ours is doing
24 better so glad it didn't change. And I still think our
25 numbers are higher than those right now. I'd have to check

1 that. But I'm glad that's over.

2 Appreciate anything you can do for us at the state
3 level. I know that's what my bond rating's down then but
4 anybody I talked to. I'm nearing the end of my career so
5 I'm actually putting feelers out to try to see what I'm
6 going to do for the rest of my life. And they go you guys
7 are young yet. It's a slinky. We are doing better but
8 they don't know it yet because the state's still involved.
9 In other cities the states seem to be pulling out. I hear
10 on the news Pontiac's out from underneath it. I said
11 really? Why aren't we out of it. River Rouge -- or
12 Detroit has already given the rein to turn back over. When
13 does Allen Park get their receivership is -- I appreciate
14 it.

15 MS. SCHAFER: Thank you.

16 MR. DOSTINE: The next one is Councilman Harry
17 Sisko.

18 COUNCILMAN SISKI: Thank you. Good afternoon. I
19 just got to -- I want to start off with it was mentioned
20 that when we did our review process that that council at
21 the time was called a dysfunctional council and I just want
22 to point out that that dysfunctional council, the majority
23 of them got reelected this time around and the only reason
24 why it wasn't a full -- there was four of us that ran for
25 reelection.

1 One of our members ran for mayor and our current
2 mayor, Mayor Matakas won in overwhelming fashion and the
3 other councilmember decided not to run due to some family
4 issues. So, the citizens of this city returned all of us;
5 this dysfunctional council and you should know that Allen
6 Park has always been a very conservative town. I've lived
7 here my entire life. We've always had conservative roots.
8 A lot of our parents came out of the depression and so
9 we've all carried that with us.

10 And to be -- there's a moral issue that I think
11 you all need to look at. It's not always about dollars and
12 cents as we've seen in other parts of the state. There is
13 a moral issue. We are all elected to represent 28,000
14 people in this city. And I think we've done that. And
15 we've gone beyond what we were asked for, I believe. We
16 take everything to heart here. And we want the best for
17 our city. And for our children. And that's what we are
18 looking at and I think you really need to understand that
19 moral issue that when Ms. Parker first came in here she
20 said the state was behind -- the full force of the state
21 was behind the city of Allen Park and I bought into that.
22 But the way I feel about it now is that the full force of
23 the state is on top of us not behind us. These are issues
24 that we can get by; that bond issue. You can lay at the
25 feet of Ms. Parker and Ms. ^{Folks} ~~Folts~~ (sic) for being delayed

1 for so long. We all know it here. At one council meeting
2 and I lead the charge to have Ms. ^{Folks} Foltz removed, by the way
3 I'm sure some of you know that. At a council meeting after
4 that Ms. ^{Folks} Foltz had Brian Leffler who is part of the bond
5 council eviscerate our entire city council and mayor for
6 having to ask her to be removed. And it was only due to
7 state demands that it took so long to have her removed.
8 She was incompetent and didn't belong there. We all know
9 it. We are the ones that put these people in place. This
10 city council put this management in place and I think you
11 need to take that into consideration that we have always
12 tried to do the right thing. Now it's your turn to do the
13 right thing.

14 Thank you.

15 MS. SCHAFER: Thank you.

16 MR. DOSTINE: Madam Chair, the next resident is
17 Ray Magusin.

18 MR. MAGUSIN: Good morning. We're here for a
19 reason. Because we're in trouble. We were in trouble. We
20 are not in trouble no more. But we're also here because of
21 a reason. I brought this up to you guys a number of times.
22 Because of that American flag. And every time I'll bring
23 at this meeting and I want to say something: I pledge
24 allegiance to that flag of the United State of America and
25 to the republic for which it stands, one nation under God

1 indivisible with liberty and justice for all. It doesn't
2 take long to say that. A little bit of pride for allowing
3 us to be up here. A number of citizens in this world that
4 have fought for that flag and have died for that flag and
5 are dying today. With that said I want to thank Gail
6 McLeod, Harry Sisko and the mayor for coming up here.

7 I, as a citizen, every meeting asked that woman to
8 resign. Every meeting I asked that woman to resign and I
9 was looked at, "What are you saying Mr. Magusin, why?" She
10 was the one who put this city in our predicament. She was
11 the one who sat on the bond council and put ourselves in
12 that position. We did not appoint her. The state of
13 Michigan appointed her. Why? Any other city or any other
14 country we would have been able to get rid of her with no
15 problem. We try to get rid of individuals. We tried to
16 get rid of her. It cost the city money to get rid of her,
17 is what it did. It actually cost us money to get rid of
18 her after she took us down and destroyed us.

19 I want to thank you all for allowing us to come up
20 here but now I truly understand and I've said it before why
21 when someone in Egypt got in trouble they just took their
22 faces right off, destroyed them. Took their names off the
23 buildings. This city needs to be put back into the hands
24 of our city, taken out of the hands of the state. Governor
25 Snyder, take down this wall.

1 Have a great day.

2 MR. DOSTINE: Okay. Madam chair, there's one more
3 request by Mr. Paul Green.

4 MR. GREEN: I have an apartment building in Allen
5 Park and I was aware of the inspection notification ~~it~~ and
6 I got notice about a month ago, first of March, to take
7 care of that matter. As you can gather I'm not too mobile.
8 I spent at least half of my time doing physical therapy.
9 And the reason for that is so I don't end up in a
10 wheelchair. So I'm awfully busy.

11 I got the notice about two weeks ago. I came into
12 the building department and I paid for the inspections. I
13 got them scheduled. But last Friday I had to honor the
14 ticket to have this done. And the hearing was at 9:00.
15 There was about 200 people waiting and it was about 11:00
16 before I got my attention to talk to the prosecutor. I
17 didn't know who he was. I just found out who he was this
18 afternoon. And rather than reviewing -- rather when he
19 called me about the inspection checking I told him that I
20 had made reservations, scheduled them, I showed my
21 documents there. I showed him that it was paid and the
22 building department asked me to do this. He ignored that.
23 I was too tired to challenge him at that time. I
24 definitely was but I tried to respect him and he suggested
25 that I take the lesser of the -- having admitting it and

1 having to pay the court fine of \$150. When I got -- I
2 waited there for two hours and him not explaining it, not
3 listening to me and at my age I just wanted to get out of
4 the place. So I agreed to pay the \$150 to get out of
5 there. Knowing it was not right. But the -- it was not
6 \$150, it was \$200. That was last Friday. Over the weekend
7 I kind of got woke up again after I got working on my
8 income tax and trying to do my physical therapy I said,
9 this is not fair. There's just something wrong here with
10 what's going on. Why am I treated as if I'm a piece of
11 dirt off the street when he didn't explain what -- he
12 didn't worry about anything I said. I said I have evidence
13 I have it scheduled and I've got --

14 MR. DOSTINE: Pardon me, Mr. Green. I'm sorry.
15 You know, I think perhaps you might want to direct your
16 concerns to Mr. Dave Boomer. I'm not sure this is the
17 appropriate board to be, you know, bringing your concern
18 to. I'm sorry, I should have talked to you earlier about
19 this.

20 MR. GREEN: Well, you're right. I didn't come to
21 this meeting. I came to city hall.

22 MR. DOSTINE: Right. Yeah.

23 MR. GREEN: Told me about this meeting.

24 MR. DOSTINE: Right. This is not a council
25 meeting.

1 MR. GREEN: This isn't a council meeting?

2 MR. DOSTINE: It's not a council meeting.

3 MR. GREEN: Oh, it's not a council meeting?

4 MR. DOSTINE: No.

5 MR. KIBBY: Mr. Boomer will be right to help you.

6 He's standing right behind you.

7 MS. SCHAFER: Thank, Mr. Green.

8 MR. DOSTINE: I apologize, Mr. Green.

9 MR. GREEN: I was not informed as to what this
10 gathering was except to --

11 MS. SCHAFER: You should get your help there.

12 MR. DOSTINE: Madam Chair, that concludes public
13 comments.

14 MS. SCHAFER: Thank you.

15 Is there any board comments?

16 Mr. Wollenweber?

17 MR. WOLLENWEBER: One item. First of all I'd like
18 to thank the administration, the elected officials and the
19 staff who are here today and you know, having seen this in
20 the beginning and now coming onto this board there's no
21 question that this community deserves the kind of
22 leadership that it now has and again, I just say in my
23 opinion what was done to this community and residents is
24 criminal and should have been prosecuted by somebody other
25 than the Securities and Exchange Commission. But it didn't

1 happen and you guys are paying the price for it. And I
2 think our job here is, and I can't speak because I was not
3 involved and I learned more from our colleagues here as to
4 what happened in terms of the delay and the retendering and
5 some of these other issues in terms of the court case. But
6 I really would hope that in -- at our next meeting if it
7 needs to be earlier, I'm fine with that earlier. Just
8 today that we look at significant alternatives to meeting
9 monthly and restoring as much control that we can to the
10 local community and its elected leadership which I feel and
11 I'm sure the residents feel they now have confidence in and
12 the administrative team that they've selected. So I hope
13 that there are some significant alternatives that we can
14 look at short of going of business instantaneously. And if
15 that's the wishes of the board, fine. But it seems to me
16 in terms of our position as appointees for this we do have
17 a fiscal and a legal obligation to try to make sure that
18 the things that caused this are not going to happen again
19 and that there are some significant challenges that ought
20 to be faced. And again, I echo the comments that were made
21 earlier about now who's going to get -- we got what three-
22 tenths of a percent this year in terms of taxable value
23 growth and looking at them I will just say and this
24 probably shouldn't go in the record but I'm going to say it
25 anyway that there is an attempt by a number of communities,

1 I don't know that Allen Park can participate or not
2 participate, that would be your choice to contribute to a
3 potential lawsuit over the Headlee issue and some of the
4 things that the state has taken away from the communities
5 and not leave them to some other mandated costs and some of
6 the issues of Headlee. Like the schools did with some
7 stuff, so. That's my editorial comment I guess at the end.

8 But thank you to the staff and the community and
9 the elected officials. You are not like some of the other
10 communities, not like almost all of the other communities
11 or school districts that put in this place. This happened
12 to you by bad leadership in my opinion.

13 UNIDENTIFIED SPEAKER: Can the public speak? I'm
14 just curious?

15 MS. SCHAFER: The public comment period is over.
16 Sorry.

17 Are there any other board comments?

18 MS. BARANN: I just want to thank my fellow board
19 members for the conversation and the discussion. I
20 appreciate that and would echo Mark's comments. Thank you
21 so much, the city and the treasury staff for putting
22 together the annual report and all you do for us.

23 MS. SCHAFER: Any further comments?

24 (No response.)

25 MS. SCHAFER: Okay. The next item is adjournment.

1 I will entertain a motion to --

2 MR. WOLLENWEBER: So move.

3 MS. BARANN: Support.

4 MS. SCHAFER: It's been moved and supported. All
5 those in favor of adjourning say aye? Aye.

6 MS. BARANN: Aye.

7 MR. WOLLENWEBER: Aye.

8 MR. LITES: Aye.

9 MS. SCHAFER: Opposed?

10 (No response.)

11 MS. SCHAFER: Hearing none, the meeting is
12 adjourned. Thank you everyone.

13 (At 3:18 p.m. meeting adjourned.)
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STATE OF MICHIGAN

COUNTY OF WASHTENAW).ss

I certify that this transcript is a complete, true, and correct transcript to the best of my ability of the RTAB meeting held on April 6, 2015 at the city of Allen Park. I also certify that I am not a relative or employee of the parties involved and have no financial interest in this case.

RESPECTFULLY SUBMITTED:

April 15, 2016

S/Amy Shankleton-Novess

Amy Shankleton-Novess (CER 0838)

Certified Electronic Reporter